
Friday
September 20, 1996

Federal Register

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- FOR:** Any person who uses the Federal Register and Code of Federal Regulations.
- WHO:** Sponsored by the Office of the Federal Register.
- WHAT:** Free public briefings (approximately 3 hours) to present:
1. The regulatory process, with a focus on the Federal Register system and the public's role in the development of regulations.
 2. The relationship between the Federal Register and Code of Federal Regulations.
 3. The important elements of typical Federal Register documents.
 4. An introduction to the finding aids of the FR/CFR system.
- WHY:** To provide the public with access to information necessary to research Federal agency regulations which directly affect them. There will be no discussion of specific agency regulations.

WASHINGTON, DC

- WHEN:** October 22, 1996 at 9:00 a.m.
- WHERE:** Office of the Federal Register
Conference Room
800 North Capitol Street, NW.
Washington, DC
(3 blocks north of Union Station Metro)
- RESERVATIONS:** 202-523-4538



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Proclamation 6918 of September 18, 1996

The President

National POW/MIA Recognition Day, 1996

By the President of the United States of America

A Proclamation

Since our country's birth, Americans have responded to military threats against liberty and democracy, whether at home or in remote areas of the world. The young men and women of our Armed Forces understand the need to resist oppression, and they have willingly put themselves in harm's way around the globe to do so. Those young Americans who stand in the defense of freedom are our country's most precious natural resource.

It is particularly painful when these brave Americans are made Prisoners of War, or are classified as Missing in Action. They have earned our deep appreciation and respect for the great sacrifices they have made so that all of us can continue to enjoy the privileges of liberty. In keeping faith with them, we continue our concerted efforts to determine the fate of all those who are unaccounted for and to bring home the remains of those who have perished.

The grief for our prisoners of war and those missing in action is most intense, of course, among their families and loved ones at home, who wait—often for years, and sometimes in vain—for confirmation of their fate. These families display their own courage too, by their endurance in the face of deep anxiety. Their cause is our cause, and we pledge ourselves to them anew on this special day.

On September 20, 1996, the flag of the National League of Families of American Prisoners of War and Missing in Southeast Asia, a black-and-white banner symbolizing all of America's missing, will be flown over the White House, the United States Capitol, the United States Departments of State, Defense, and Veterans Affairs, the Selective Service System headquarters, the Vietnam Veterans Memorial, the Korean War Veterans Memorial, and national cemeteries across the country.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim September 20, 1996, as National POW/MIA Recognition Day. I ask all Americans to join me in honoring former American POWs and those Americans still unaccounted for as a result of their service to our great Nation. I also encourage the American people to express their gratitude to the families of these missing Americans for their perseverance through the many years of waiting. Finally, I urge Federal, State, and local officials and private organizations to observe this day with appropriate ceremonies, programs, and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this eighteenth day of September, in the year of our Lord nineteen hundred and ninety-six, and of the Independence of the United States of America the two hundred and twenty-first.

William Clinton

[FR Doc. 96-24362

Filed 9-19-96; 8:45 am]

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Rules and Regulations

Federal Register

Vol. 61, No. 184

Friday, September 20, 1996

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 96–NM–223–AD; Amendment 39–9764; AD 96–19–17]

RIN 2120–AA64

Airworthiness Directives; Boeing Model 757 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to certain Boeing Model 757 series airplanes. This action requires a one-time inspection to detect discrepancies of the main battery shunt, and replacement with a serviceable part, if necessary. This action also requires inspection of certain wires, washers, and brass jam nuts to detect any discrepancy, and replacement with a serviceable part, if necessary. Additionally, this action requires inspection, and adjustment if necessary, of the torque and resistance of the installation of the main battery ground stud. This amendment is prompted by a report of interruption of electrical power during flight due to improper installation of the main battery shunt and ground stud connection of the main battery. The actions specified in this AD are intended to prevent such electrical power interruptions, which could result in loss of battery power to the source of standby power for the airplane.

DATES: Effective October 7, 1996.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of October 7, 1996.

Comments for inclusion in the Rules Docket must be received on or before November 19, 1996.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–103, Attention: Rules Docket No. 96–NM–223–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

The service information referenced in this AD may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124–2207. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Stephen S. Oshiro, Aerospace Engineer, Systems and Equipment Branch, ANM–130S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington; telephone (206) 227–2793; fax (206) 227–1181.

SUPPLEMENTARY INFORMATION: The FAA recently has received reports indicating that interruptions of electrical power have occurred during flight, which resulted in the loss of battery power to the hot battery bus (HBB) on a Boeing Model 767 series airplane. The HBB is the source of standby power to the airplane. Investigation revealed that the reported loss of power to the HBB occurred due to cracked shunts, improper installation of fasteners on the shunt studs, and improper torque of shunt fasteners. It appears that the improper installation of fasteners on the shunt studs and improper torque of shunt fasteners occurred during manufacture.

Loose fasteners on the shunt studs can create an open circuit or high resistance in the connection of the main battery ground stud, which can cause an interruption of the battery charger and the loss of the HBB. The loss of the HBB and associated loads will cause multiple advisory level Engine Indication and Crew Alerting System (EICAS) messages; loss of power to the standby buses/loads during standby operation; and the potential loss of center bus power. Such loss of standby power could adversely affect the function of the following systems:

1. the captain's standby instruments,
2. flight control electronics,

3. Very High Frequency (VHF) communications,

4. thrust reverser control,
 5. standby ignition,
 6. passenger oxygen,
 7. fire detection and extinguishing,
- and
8. wing and engine anti-ice systems,
- among others.

Improper installation of the main battery shunt and ground stud connection of the main battery, if not corrected, could cause an interruption of electrical power and loss of battery power to the HBB during flight.

The main battery shunts of the main equipment center on the Boeing Model 767 series airplanes are identical to those installed on the Boeing Model 757 series airplanes; therefore, both of these models may be subject to this same unsafe condition. The FAA has addressed this unsafe condition in Model 767 series airplanes with the issuance of AD 96–19–10, amendment 39–9757, on September 6, 1996.

Explanation of Relevant Service Information

The FAA has reviewed and approved Boeing Alert Service Bulletin 757–24A0079, dated August 8, 1996, which describes procedures for inspection of the main battery shunt to detect contaminated fasteners, missing pressure washers or washers having an incorrect part number, or damage to the terminal posts or to the plastic base, and replacement of the main battery shunt, if necessary. The alert service bulletin also describes inspection of certain wires, washers, and brass jam nuts to detect any discrepancy, and replacement of any discrepant part with a serviceable part.

Additionally, the alert service bulletin describes procedures for an inspection of the main battery ground stud to verify the torque and resistance, and adjustment of the torque and resistance, if necessary.

Explanation of the Requirements of the Rule

Since an unsafe condition has been identified that is likely to exist or develop on Boeing Model 757 series airplanes, this AD is being issued to prevent interruption of electrical power during flight, which could result in loss of battery power to the source of standby power for the airplane. This AD requires inspection of the main battery

shunt to detect contaminated fasteners, missing pressure washers or washers having an incorrect part number, or damage to the terminal posts or to the plastic base, and replacement of the main battery shunt, if necessary. This AD also requires inspection of certain wires, washers, and brass jam nuts to detect any discrepancy, and replacement of any discrepant part with a serviceable part. Additionally, this AD requires an inspection of the main battery ground stud to verify the torque and electrical resistance, and adjustment of the torque and resistance, if necessary. The actions are required to be accomplished in accordance with the alert service bulletin described previously.

Determination of Rule's Effective Date

Since a situation exists that requires the immediate adoption of this regulation, it is found that notice and opportunity for prior public comment hereon are impracticable, and that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire.

Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES**. All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this AD will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this rule must

submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 96-NM-223-AD." The postcard will be date stamped and returned to the commenter.

Regulatory Impact

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is an emergency regulation that must be issued immediately to correct an unsafe condition in aircraft, and that it is not a "significant regulatory action" under Executive Order 12866. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

96-19-17 Boeing: Amendment 39-9764.
Docket 96-NM-223-AD.

Applicability: Model 757 series airplanes, as listed in Boeing Alert Service Bulletin

757-24A0079, dated August 8, 1996; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (b) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent interruptions of electrical power during flight, which could result in loss of battery power to the source of standby power for the airplane, accomplish the following:

(a) Within 45 days after the effective date of this AD, accomplish the actions specified in paragraphs (a)(1), (a)(2) and (a)(3) of this AD, in accordance with Boeing Alert Service Bulletin 757-24A0079, dated August 8, 1996.

(1) Perform an inspection of the main battery shunt, to detect any contaminated fasteners, missing pressure washers or washers having an incorrect part number, or damage to terminal posts or to the plastic base. If any discrepancy is found, prior to further flight, replace the main battery shunt, in accordance with the alert service bulletin.

(2) Perform an inspection of the wires, washers, and brass jam nuts to detect any contamination or damage. If any discrepancy is found, prior to further flight, replace the discrepant part with a serviceable part, in accordance with the alert service bulletin.

(3) Inspect the torque and electrical resistance of the installation of the main battery ground stud, and adjust the torque and resistance of the ground stud, in accordance with the alert service bulletin.

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Seattle ACO.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

(d) The actions shall be done in accordance with Boeing Alert Service Bulletin 757-24A0079, dated August 8, 1996. This incorporation by reference was approved by the Director of the Federal Register in

accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124-2207. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(e) This amendment becomes effective on October 7, 1996.

Issued in Renton, Washington, on September 11, 1996.

James V. Devany,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 96-23851 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-13-P

14 CFR Part 71

[Airspace Docket No. 96-ANM-017]

Amendment of Class E Airspace; Torrington, Wyoming

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action amends Torrington, Wyoming, Class E airspace by providing additional controlled airspace to accommodate a Nondirectional Beacon (NDB) Standard Instrument Approach Procedure (SIAP) to the Torrington Municipal Airport.

EFFECTIVE DATE: 0901 UTC, January 30, 1997.

FOR FURTHER INFORMATION CONTACT: James C. Frala, Operations Branch, ANM-532.4, Federal Aviation Administration, Docket No. 96-ANM-017, 1601 Lind Avenue, SW, Renton, Washington 98055-4056; telephone number: (206) 227-2535.

SUPPLEMENTARY INFORMATION:

History

On July 10, 1996, the FAA proposed to amend part 71 of the Federal Aviation Regulations (14 CFR part 71) to amend Class E airspace at Torrington, Wyoming, by providing additional controlled airspace to accommodate a NDB SIAP to the Torrington Municipal Airport (61 FR 36316).

Interested parties were invited to participate in the rulemaking proceeding by submitting written comments on the proposal. No comments were received.

The coordinates for this airspace docket are based on North American Datum 83. Class E airspace areas extending upward from 700 feet or more above the surface of the earth are published in paragraph 6005 of FAA Order 7400.9D dated September 4, 1996,

and effective September 16, 1996, which is incorporated by reference in 14 CFR 71.1. The Class E airspace listed in this document will be published subsequently in the Order.

The Rule

This amendment to part 71 of Federal Aviation Regulations amends Class E airspace at Torrington, Wyoming. The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

In consideration of the foregoing, the FAA amends 14 CFR part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959-1963 Comp., p. 389; 14 CFR 11.69.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9D, Airspace Designations and Reporting Points, dated September 4, 1996, and effective September 16, 1996, is amended as follows:

Paragraph 6005 Class E airspace extending upward from 700 feet or more above the surface of the earth.

* * * * *

ANM WY E5 Torrington, WY [Revised]

Torrington Municipal Airport, WY
(Lat. 42°03'52"N, long. 104°09'10"W)

That airspace extending upward from 700 feet above the surface within a 7.7-mile radius of the Torrington Municipal Airport.

* * * * *

Issued in Seattle, Washington, on September 6, 1996.

Glenn A. Adams III,

Assistant Manager, Air Traffic Division, Northwest Mountain Region.

[FR Doc. 96-24178 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 71

[Airspace Docket No. 96-ANM-018]

Establishment of Class E Airspace; Cañon City, Colorado

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action establishes the Cañon City, Colorado, Class E airspace to accommodate a Global Positioning System (GPS) Standard Instrument Approach Procedure (SIAP) to the Fremont County Airport.

EFFECTIVE DATE: 0901 UTC, January 30, 1997.

FOR FURTHER INFORMATION CONTACT: James C. Frala, Operations Branch, ANM-532.4, Federal Aviation Administration, Docket No. 96-ANM-018, 1601 Lind Avenue, SW, Renton, Washington 98055-4056; telephone number: (206) 227-2535.

SUPPLEMENTARY INFORMATION:

History

On July 11, 1996, the FAA proposed to amend part 71 of the Federal Aviation Regulations (14 CFR part 71) to establish Class E airspace at Cañon City, Colorado, to accommodate a new GPS SIAP to the Fremont County Airport (61 FR 36520). Interested parties were invited to participate in the rulemaking proceeding by submitting written comments on the proposal. No comments were received.

The coordinates for this airspace docket are based on North American Datum 83. Class E airspace areas extending upward from 700 feet or more above the surface of the earth are published in paragraph 6005 of FAA Order 7400.9D dated September 4, 1996, and effective September 16, 1996, which is incorporated by reference in 14 CFR 71.1. The Class E airspace listed in this document will be published subsequently in the Order.

The Rule

This amendment to part 71 of Federal Aviation Regulations establishes Class E airspace at Cañon City, Colorado. The FAA has determined that this regulation only involves an established body of technical regulations for which frequent

and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the amendment

In consideration of the foregoing, the FAA amends 14 CFR part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389; 14 CFR 11.69.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9D, Airspace Designations and Reporting Points, dated September 4, 1996, and effective September 16, 1996, is amended as follows:

Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ANM CO E5 Cañon City, CO [New]

Fremont County Airport, Cañon City, CO
(Lat. 38°25'47"N, long. 105°06'31"W)

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of the Fremont County Airport.

* * * * *

Issued in Seattle, Washington, on
September 6, 1996.

Glenn A. Adams III,

Assistant Manager, Air Force Division,
Northwest Mountain Region.

[FR Doc. 96–24176 Filed 9–19–96; 8:45 am]

BILLING CODE 4910–13–M

14 CFR Part 71

[Airspace Docket No. 95–ANM–25]

Amendment of Class E Airspace; Blanding, Utah

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action amends the Blanding, Utah, Class E airspace to accommodate a Global Positioning System (GPS) Standard Instrumental Approach Procedure (SIAP) to the Blanding Municipal Airport. A correction is being made herein by adding language to the legal description that will exclude from this action that airspace within Federal airways and within the Farmington, NM, Class E airspace area. This language was inadvertently omitted from the proposed action.

EFFECTIVE DATE: 0901 UTC, January 30, 1997.

FOR FURTHER INFORMATION CONTACT: James C. Frala, Operations Branch, ANM–532.4, Federal Aviation Administration, Docket No. 95–ANM–25, 1601 Lind Avenue S.W., Renton, Washington 98055–4056; telephone number: (206) 227–2535.

SUPPLEMENTARY INFORMATION:

History

On July 29, 1996, the FAA proposed to amend part 71 of the Federal Aviation Regulations (14 CFR part 71) to amend Class E airspace at Blanding, Utah, to accommodate a new GPS SIAP to the Blanding Municipal Airport (61 FR 39370). In the proposed legal description, a statement which excludes airspace within Federal airways and the Farmington, NM, Class E airspace area from this action was inadvertently omitted. That error is corrected herein. Interested parties were invited to participate in the rulemaking proceeding by submitting written comments on the proposal. No comments were received.

The coordinates for this airspace docket are based on North American Datum 83. Class E airspace areas extending upward from 700 feet or more above the surface of the earth are published in paragraph 6005 on FAA Order 7400.9D dated September 4, 1996, and effective September 16, 1996, which is incorporated by reference in 14 CFR 71.1. The Class E airspace listed in this document will be published subsequently in the Order.

The Rule

This amendment to part 71 of Federal Aviation Regulations establishes Class E airspace at Blanding, Utah. The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

In consideration of the foregoing, the FAA amends 14 CFR part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389; 14 CFR 11.69.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9D, Airspace Designations and Reporting Points, dated September 4, 1996, and effective September 16, 1996, is amended as follows:

Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ANM UT E5 Blanding, UT [Revised]

Blanding Municipal Airport, UT
(Lat. 37°34'59"N, long. 109°29'00"W)

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of the Blanding Municipal Airport, and within 5.1 miles either side of the 182° bearing from the airport extending from the 6.5-mile radius to 15 miles south of the airport; that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at lat. 37°42'00" N, long. 109°42'00" W; to lat. 37°42'00" N, long. 109°20'30" W; to lat. 37°52'18" N, long. 108°58'58" W; to lat. 37°45'17" N, long. 108°51'56" W; to lat. 37°25'09" N, long.

109°18'00" W; to lat. 37°22'45" N, long.
 109°18'00" W; to lat. 37°04'00" N, long.
 108°36'11" W; to lat. 37°02'00" N, long.
 108°55'00" W; to lat. 37°12'26" N, long.
 109°18'00" W; to lat. 37°04'00" N, long.
 109°18'00" W; to lat. 37°04'00" N, long.
 109°27'20" W; to lat. 36°30'00" N, long.
 109°34'45" W; to lat. 36°30'00" N, long.
 109°46'05" W; to lat. 37°04'00" N, long.
 109°38'45" W; to lat. 37°04'00" N, long.
 109°42'00" W, thence to point of beginning;
 excluding Federal airways and the
 Farmington, NM, Class E airspace area.

* * * * *
 Issued in Seattle, Washington, on
 September 9, 1996.

Helen Fabian Parke,
*Manager, Air Traffic Division, Northwest
 Mountain Region.*

[FR Doc. 96-24177 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-13-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[NC-43-1-9618a; FRL-5609-1]

Approval and Promulgation of State Implementation Plan, North Carolina: Approval of Cape Industries, Air Permit No. 130R17

AGENCY: Environmental Protection
Agency (EPA).

ACTION: Direct final rule.

SUMMARY: On August 17, 1989, the State of North Carolina issued to Cape Industries, located in Wilmington, New Hanover County, North Carolina, air permit number 130R11, which set the sulfur dioxide emission limit at 2.3 pounds per million British Thermal Units (BTU). The State then submitted this permit to EPA on September 21, 1989, for approval as a revision to the State implementation plan (SIP). Air permit number 130R11 expired on October 1, 1991, and was subsequently replaced by the current Cape Industries air permit number 130R17 on December 29, 1994. Upon review of the permit, EPA finds that the designated limit for Cape Industries is adequate to protect the ambient standard and approves this permit.

DATES: This action is effective November 19, 1996 unless adverse or critical comments are received by October 21, 1996. If the effective date is delayed, timely notice will be published in the Federal Register.

ADDRESSES: Written comments on this action should be addressed to Mr. Randy Terry at the EPA Regional Office listed below.

Copies of the documents relative to this action are available for public

inspection during normal business hours at the following locations. The interested persons wanting to examine these documents should make an appointment with the appropriate office at least 24 hours before the visiting day.

Air and Radiation Docket and
 Information Center (Air Docket 6102),
 US Environmental Protection Agency,
 443, 401 M Street, SW, Washington
 DC 20460

Environmental Protection Agency,
 Region IV Air Programs Branch, 345
 Courtland Street NE, Atlanta, Georgia
 30365

North Carolina Department of
 Environment, Health, and Natural
 Resources, Division of Environmental
 Management, P.O. Box 29535,
 Raleigh, North Carolina 27626-0535

FOR FURTHER INFORMATION CONTACT: Mr.
 Randy Terry, Regulatory Planning and
 Development Section, Air Programs
 Branch, Air, Pesticides & Toxics
 Management Division, Region IV
 Environmental Protection Agency, 345
 Courtland Street NE, Atlanta, Georgia
 30365. The telephone number is 404/
 347-3555, ext. 4212.

SUPPLEMENTARY INFORMATION: On
 December 7, 1982 (47 FR 54934), EPA
 announced approval of a revised sulfur
 dioxide (SO₂) emission limit for most
 fuel-burning sources in North Carolina.
 This revision raised the emission limit
 of SO₂ from 1.6 pounds per million BTU
 to 2.3 pounds per million BTU. Cape
 Industries, located in Wilmington, New
 Hanover County, North Carolina, was
 included in this rulemaking, but was
 not allowed to increase its emission
 level until such time that appropriate
 conditions could be applied to ensure
 that the ambient standard was not
 violated. These conditions included the
 issuance of an air permit. On August 17,
 1989, North Carolina Environmental
 Management Commission issued air
 permit no. 130R11 to Cape Industries.
 On September 21, 1989, the State of
 North Carolina, through the North
 Carolina Department of Environment,
 Health and Natural Resources submitted
 this permit to EPA for approval as a
 revision to the North Carolina SIP
 regarding the SO₂ emissions limitation
 for Cape Industries. In a letter dated
 November 25, 1991, EPA responded to
 the Cape Industries submittal with
 several comments concerning the
 enforceability of the permit. EPA
 determined North Carolina's emission
 standards did not contain the specific
 test method, the test run duration, and
 the averaging time for each emission
 standard, and was therefore
 unenforceable. EPA also stated that the
 permit should be revised to include the

opacity limits of each emission point.
 EPA directed North Carolina to address
 these sections before the permit could
 be approved. On March 2, 1994, North
 Carolina submitted a letter to EPA
 which effectively responded to all of
 EPA's concerns and demonstrated that
 the permit contains adequate
 recordkeeping and testing requirements.

However, in May, 1994, Cape
 Industries submitted a modeling
 protocol to EPA requesting a permit
 modification to remove current fuel use
 and boiler firing limitations which were
 used as permit conditions to avoid an
 earlier PSD applicability issue. Since
 the proposed modifications would affect
 the previous permit conditions which
 were used as a basis to demonstrate
 compliance with the Sulfur Dioxide SIP,
 Cape Industries also submitted this
 protocol as a Sulfur Dioxide SIP
 revision. This Modeling protocol was
 not approvable and on July 28, 1994,
 EPA responded with a letter outlining
 the areas that must be addressed. On
 March 14, 1996, in response to the July
 28, 1994, EPA letter, Cape Industries
 officially withdrew their request for the
 permit modification. During this time
 the original Cape Industries air permit
 expired and air permit number 130R17
 was issued.

Final Action

EPA is approving Cape Industries' air
 permit No. 130R17 submitted on August
 9, 1996, for incorporation into the North
 Carolina SIP. The EPA is publishing this
 action without prior proposal because
 the EPA views this as a
 noncontroversial amendment and
 anticipates no adverse comments.
 However, in a separate document in this
 Federal Register publication, the EPA is
 proposing to approve the SIP revision
 should adverse or critical comments be
 filed. This action will be effective
 October 21, 1996 unless, within 30 days
 of its publication, adverse or critical
 comments are received.

If the EPA receives such comments,
 this action will be withdrawn before the
 effective date by publishing a
 subsequent document that will
 withdraw the final action. All public
 comments received will then be
 addressed in a subsequent final rule
 based on this action serving as a
 proposed rule. The EPA will not
 institute a second comment period on
 this action. Any parties interested in
 commenting on this action should do so
 at this time. If no such comments are
 received, the public is advised that this
 action will be effective November 19,
 1996.

The EPA has reviewed this request for
 revision of the Federally-approved SIP

for conformance with the provisions of the 1990 Amendments enacted on November 15, 1990. The EPA has determined that this action conforms with those requirements irrespective of the fact that the submittal preceded the date of enactment.

Under section 307(b)(1) of the Clean Air Act (CAA), 42 U.S.C. 7607(b)(1), petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by November 19, 1996. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2) of the CAA, 42 U.S.C. 7607(b)(2)).

This action has been classified as a Table 3 action for signature by the Regional Administrator under the procedures published in the Federal Register on January 19, 1989 (54 FR 2214-2225), as revised by a July 10, 1995 memorandum from Mary Nichols, Assistant Administrator for Air and Radiation. The Office of Management and Budget (OMB) has exempted this regulatory action from E.O. 12866 review.

Nothing in this action shall be construed as permitting or allowing or establishing a precedent for any future request for a revision to any SIP. Each request for revision to the SIP shall be considered separately in light of specific technical, economic, and environmental factors and in relation to relevant statutory and regulatory requirements.

Under the Regulatory Flexibility Act, 5 U.S.C. 600 *et. seq.*, EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities. 5 U.S.C. 603 and 604. Alternatively, EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000.

SIP approvals under 110 and subchapter I, part D of the CAA do not create any new requirements, but simply approve requirements that the State is already imposing. Therefore, because the Federal SIP-approval does not impose any new requirements, I certify that it does not have a significant impact on any small entities affected. Moreover, due to the nature of the

Federal-state relationship under the CAA, preparation of a regulatory flexibility analysis would constitute Federal inquiry into the economic reasonableness of state action. The CAA forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co. v. U.S. E.P.A.*, 427 U.S. 246, 256-66 (S.Ct. 1976); 42 U.S.C. section 7410(a)(2).

Submission to Congress and the General Accounting Office

Under 5 U.S.C. section 801(a)(1)(A) as added by the Small Business Regulatory Enforcement Fairness Act of 1996, EPA submitted a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives and the Comptroller General of the General Accounting Office prior to publication of this rule in today's Federal Register. This rule is not a "major rule" as defined by 5 U.S.C. section 804(2).

Unfunded Mandates

Under Sections 202, 203 and 205 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must undertake various actions in association with proposed or final rules that include a Federal mandate that may result in estimated costs of \$100 million or more to the private sector, or to State, local, or tribal governments in the aggregate.

Through submission of this state implementation plan or plan revision, the State and any affected local or tribal governments have elected to adopt the program provided for under section 110 of the Clean Air Act. These rules may bind State, local and tribal governments to perform certain duties. To the extent that the rules being approved by this action will impose any mandate upon the State, local or tribal governments either as the owner or operator of a source or as a regulator, or would impose any mandate upon the private sector, EPA's action will impose no new requirements; such sources are already subject to these regulations under State law. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action. EPA has also determined that this final action does not include a mandate that may result in estimated costs of \$100 million or more to State, local, or tribal governments in the aggregate or to the private sector.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations,

Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides.

Dated: June 6, 1996.
Michael V. Peyton,
Acting Regional Administrator.

Part 52 of chapter I, title 40, Code of Federal Regulations, is amended as follows:

PART 52—[AMENDED]

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401-7671q.

Subpart II—North Carolina

2. Section 52.1770, is amended by adding paragraph (c)(91) to read as follows:

§ 52.1770 Identification of plan.

* * * * *

(91) The North Carolina Department of Environment, Health and Natural Resources submitted revisions to the North Carolina State Implementation Plan on September 21, 1989. These revisions incorporate SO₂ limits and permit conditions for Cape Industries.

(i) Incorporation by reference.

(A) Permit for Cape Industries (air permit no. 130R17) which was issued by the Environmental Management Commission on December 29, 1994.

(ii) Additional material—none.

[FR Doc. 96-24045 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-P

40 CFR Part 52

[NC-78-1-7236a; NC-80-1-2-9631a; FRL-5606-3]

Approval and Promulgation of Implementation Plans State: Approval of Revisions to the State of North Carolina's State Implementation Plan (SIP)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is approving revisions to the North Carolina State Implementation Plan (SIP) to allow the State air pollution control agency and the Forsyth County, North Carolina air pollution control agency to utilize exclusionary rules for the purpose of limiting potential to emit (PTE) criteria pollutants for certain source categories to less than the title V permitting major source thresholds. EPA is also approving under section 112(l) of the Clean Air Act several source-categories of the submitted regulations for limiting

PTE of hazardous air pollutants (HAP) to less than title V permitting major source thresholds. These exclusionary rules allow facilities to compute potential emissions based on actual emissions or raw material usage for the following source categories: gasoline service stations and dispensing facilities; coating, solvent degreasing, and graphic arts operations; dry cleaning facilities, grain elevators, cotton gins, and emergency generators. On August 4, 1995, the State of North Carolina through the Department of Environment, Health, and Natural Resources (DEHNR) submitted a SIP revision fulfilling the requirements necessary to utilize exclusionary rules to limit PTE of air pollutants in a federally enforceable manner. On December 28, 1995, the Forsyth County Department of Environmental Affairs (FCDEA) through the DEHNR submitted a SIP revision fulfilling the requirements necessary to allow Forsyth County to utilize exclusionary rules to limit PTE of air pollutants in a federally enforceable manner. Forsyth County's SIP regulations are a verbatim adoption of the State of North Carolina exclusionary regulations.

DATES: This action is effective November 19, 1996 unless notice is received by October 21, 1996 that someone wishes to submit adverse or critical comments. If the effective date is delayed, timely notice will be published in the Federal Register.

ADDRESSES: Written comments should be addressed to Scott Miller at the EPA Regional office listed below.

Copies of the material submitted by North Carolina may be examined during normal business hours at the following locations:

Air and Radiation Docket and Information Center (Air Docket 6102), U.S. Environmental Protection Agency, 401 M Street, SW., Washington, DC 20460
Environmental Protection Agency, Region 4 Air Planning Branch, 100 Alabama Street, SW, Atlanta, Georgia 30303
North Carolina Department of Health, Environment, and Natural Resources, Air Quality Section, P.O. Box 29535, Raleigh, North Carolina 27626
Forsyth County Environmental Affairs Department, Air Quality Section, 537 North Spruce Street, Winston-Salem, North Carolina 27101

FOR FURTHER INFORMATION CONTACT: Scott Miller, Air Programs Branch, Air, Pesticides & Toxics Management Division, Region 4 Environmental Protection Agency, 345 Courtland Street, NE, Atlanta, Georgia 30365. The

telephone number is 404/347-3555 extension 4153. Reference file numbers NC78 and NC80.

SUPPLEMENTARY INFORMATION: On August 4, 1995, and December 28, 1995, the State of North Carolina and the FCDEA, respectively, through the DEHNR submitted SIP revisions designed to allow the two agencies to utilize exclusionary rules for the purpose of limiting PTE for gasoline service stations and dispensing facilities; coating, solvent degreasing, and graphic arts operations; dry cleaning facilities, grain elevators, cotton gins, and emergency generators. Exclusionary rules are designed to create federally enforceable limits on a facility's PTE in a manner that does not require a facility-specific evaluation of emissions and limiting conditions. As such, exclusionary rules are appropriate for the purpose of limiting PTE when a facility has one type of emission source. EPA is approving all source-category rules submitted for purposes of limiting PTE for criteria pollutants. EPA is approving under section 112(l) of the CAA, North Carolina regulations 15A NCAC 2Q.0801, 2Q.0803 through 2Q.0804 and Forsyth County regulations 3Q.0801, 3Q.0803 through 3Q.0804 for purposes of limiting PTE of HAP. For a description of this and other ways to limit PTE for a facility see the EPA guidance document entitled "Options for Limiting the Potential to Emit (PTE) of a Stationary Source Under Section 112 and Title V of the Clean Air Act (Act)" dated January 25, 1995, from John Seitz to the EPA Regional Air Division Directors.

North Carolina and FCDEA exclusionary rules were designed to meet criteria listed in the EPA guidance memorandum entitled "Guidance for State Rules for Optional Federally Enforceable Emissions Limits Based on Volatile Organic Compound Use" dated October 15, 1993, from D. Kent Barry to the EPA Regional Air Division Directors, an EPA guidance document entitled "Approaches to Creating Federally-Enforceable Emissions Limits" dated November 3, 1993, and the January 25, 1995, guidance memorandum referenced above. These guidance documents set out specific guidelines for exclusionary rule development regarding applicability, compliance determination and certification, monitoring, reporting, recordkeeping, public involvement, practical enforceability, and the requirement that a facility cannot rely on emission limits or caps contained in an exclusionary rule to justify violation of any rate-based

emission limits or other applicable requirements.

An exclusionary rule applies to facilities which agree to limit their annual emissions to less than major source thresholds for criteria and/or hazardous air pollutant (HAP) emissions. An exclusionary rule must also provide that a facility owner or operator specifically apply for coverage under the exclusionary rule. Regulation 15A North Carolina Administrative Code (NCAC) 2Q.0801(a) and Forsyth County Regulation 3Q.0801(a) provide that certain source categories may define and limit their potential emissions to less than 100 tons per year of each regulated pollutant, 10 tons per year of each hazardous air pollutant, and 25 tons per year of all hazardous air pollutants combined. The source categories covered by the exclusionary rules are gasoline service stations and dispensing facilities; coating, solvent degreasing, and graphic arts operations; dry cleaning facilities, grain elevators, cotton gins, and emergency generators. North Carolina Regulation 15A NCAC 2Q.0801(c) and Forsyth County Regulation 3Q.0801(c) provide that even though a facility is exempted from obtaining a title V permit by complying with these exclusionary rules, it may still be required to be permitted under the State or local's minor source construction and operating permit regulations found at North Carolina Regulation 15A NCAC 2Q.0300 and Forsyth County Regulation 3Q.0300. As such, these regulations meet the guidelines specified in the October 15, 1993, and the January 25, 1995, guidance documents that require that an exclusionary rule to clearly identify the category of sources that qualify for the rule's coverage.

The October 15, 1993, and the January 25, 1995, guidance documents suggest that facilities be required to show compliance with the exclusionary rule on a yearly basis by requiring monthly recordkeeping of the relevant variable causing emissions and showing compliance using the monthly record of the relevant variable affecting emissions. The January 25, 1995, guidance document stipulates that where monitoring cannot be used to determine emissions directly, limits on appropriate operating parameters must be established for the units or source, and monitoring must verify compliance with those limits. In the case of the State of North Carolina and Forsyth County regulations, a facility is required to keep records of the use of or processing of a product or substance that produces the emissions. For instance, North Carolina Regulation 15A NCAC 2Q.0802 and

Forsyth County Regulation 3Q.0802 require gasoline service stations and gasoline dispensing facilities to keep monthly records of gasoline throughput. The gasoline service station and gasoline dispensing facility must then show compliance with the 15,000,000 gallon exclusionary yearly rule limit on a monthly rolling average of gasoline throughput. EPA believes that the exclusionary rules submitted by the DEHNR and FCDEA meet guidelines outlined in the October 15, 1993, and January 25, 1995, guidance documents for purposes of detailing specific compliance monitoring to show compliance with the relevant limit resulting from an exclusionary rule.

The October 15, 1993, guidance document requires that all submittals from a source required pursuant to an exclusionary rule be certified for truth, accuracy, and completeness. Each facility which chooses to be covered by an exclusionary rule submitted by the DEHNR and FCDEA must make submissions which are certified by the appropriate official as defined under North Carolina Regulation 15A NCAC 2Q.0304(j) and Forsyth County Regulation 3Q.0304(j). Regulation 15A NCAC 2Q.0304(j) and Forsyth County Regulation 3Q.0304(j) require certifications to be signed by the following: For corporations, by a principal executive officer of at least the level of vice president, or his duly authorized representative, if such representative is responsible for the overall operation of the facility from which the emissions described originates; for partnership or limited partnership, by a general partner; for a sole proprietorship, by the proprietor; and for municipal, state, Federal, or other public entity, by a principal executive officer, ranking elected official, or other duly authorized employee. These requirements for the certifying official are similar to those requirements found in 40 CFR 70.2 for a responsible official which would certify truth, accuracy, and completeness of a part 70 permit application. Therefore, EPA believes that the exclusionary rules submitted by the DEHNR and FCDEA meet requirements outlined in the October 15, 1993, guidance document for purposes of certification with respect to truth, completeness, and accuracy.

The October 15, 1993, guidance document recommends that reporting requirements should vary based on how close the facility emissions are to the relevant major source threshold. For facilities that are close to the major source threshold, the guidance recommends that a state or local air

pollution control agency require more frequent reporting of the variable affecting emissions (i.e. gasoline throughput). For instance, North Carolina Regulation 15A NCAC 2Q.0802 and Forsyth County Regulation 3Q.0802 require that gasoline service stations and gasoline dispensing facilities with annual gasoline throughput that exceeds 10,000,000 gallons per year report gasoline throughput once yearly. For those gasoline service stations and gasoline dispensing facilities with annual gasoline throughput that exceeds 13,000,000 gallons per year, a facility must report gasoline throughput once every six months. EPA believes that the exclusionary rules submitted by the DEHNR and FCDEA meet requirements outlined in the October 15, 1993, guidance document for purposes of reporting the relevant variable affecting emissions from the process. The October 15, 1993, guidance document also requires that a facility report any exceedance of an exclusionary rule within one week after its occurrence. The DEHNR and FCDEA regulations satisfy this requirement by a verbatim incorporation of this requirement under each exclusionary rule source-category. Therefore, EPA believes that the DEHNR and FCDEA regulations meet the requirements set out in the above-listed guidance documents for reporting.

The October 15, 1993, and the January 25, 1995, guidance documents specify that recordkeeping is required by a facility to show that the facility is eligible for the exclusionary rule and that the facility is in compliance with the relevant exclusionary rule. The October 15, 1993, guidance document requires that recordkeeping shall be maintained on site and available to the permitting authority upon demand. The October 15, 1993, guidance document also requires that a facility be required to retain records for a period sufficient to support enforcement efforts. The DEHNR and FCDEA regulations require that copies of all records required to be kept for exclusionary rule purposes be kept on site and be available to each agency on demand. The exclusionary rules submitted by DEHNR and FCDEA require that records be kept for a period of three years from the date the records are originated. EPA believes that a three year time period is an adequate time period for a facility subject to an exclusionary rule to maintain records in order to support enforcement efforts.

The November 3, 1993, guidance document and the January 25, 1995, guidance document set out requirements for public involvement in the development and application of exclusionary rules. The November 3,

1993, guidance document states that if exclusionary rules are sufficiently reliable and replicable, EPA and the public need not be involved with their application to individual sources, as long as the protocols themselves have been subject to notice and opportunity to comment and have been approved by EPA into the SIP. The January 25, 1995, guidance document provides that source-category standards approved into the SIP or under section 112(l) of the Clean Air Act can be used as federally enforceable limits on PTE. Once a specific source qualifies under the applicability requirements of the source-category rule, additional public participation is not required to make the limits federally enforceable as a matter of legal sufficiency since the rule itself underwent public participation and EPA review. Both the DEHNR and FCDEA exclusionary rules underwent public participation at the State and local level when these rules were made State and locally-effective. EPA believes that with this Federal Register document and other public process received at the State and local level that the DEHNR and FCDEA exclusionary rules satisfy requirements for public participation outlined in the November 3, 1993, and the January 25, 1995, guidance documents.

The January 25, 1995, guidance document sets out requirements for exclusionary rule conditions to be practically enforceable. These requirements stem from past precedence in what the EPA has required for a permit to be considered enforceable as a practical matter. See 54 FR 27274 (June 28, 1989) and a June 13, 1989, EPA policy memorandum entitled "Limiting Potential to Emit in New Source Permitting." The criteria include clear statements as to the applicability, specificity as to the standard that must be met, explicit statements of the compliance time frames (e.g. hourly, daily, monthly, or 12-month averages, etc.), that the time frame and method of compliance employed must be sufficient to protect the standard involved, recordkeeping requirements must be specified, and equivalency provisions must meet specific requirements. In general, practical enforceability means that the provision must specify (1) a technically accurate limitation and the portions of the source subject to the limitation; (2) the time period for the limitation; (3) the method to determine compliance including appropriate monitoring, recordkeeping, and reporting. Each of these elements have been discussed prior to this paragraph in this Federal Register with the

exception of (2) above. The DEHNR and FCDEA regulations require facilities subject to the exclusionary rule to keep records on a monthly basis and to determine compliance with a yearly limit on a calendar monthly rolling average basis. This method for determining compliance with the exclusionary rule limitation was addressed specifically as one practically enforceable way to show compliance with a permit limit in the June 13, 1989, guidance document entitled "Limiting Potential to Emit in New Source Permitting." As such, EPA believes the DEHNR and FCDEA exclusionary rule regulations meet the requirements necessary for exclusionary rules to be enforceable as a practical matter.

Finally, the October 15, 1993, guidance document stipulates that a facility cannot rely on emission limits or caps contained in a exclusionary rule to justify violation of any rate-based emission limits or other applicable requirements. This requirement is reflected by a verbatim incorporation of this provision found at North Carolina regulation 15A NCAC 2Q.0801(b) and Forsyth County regulation 3Q.0801(b). Therefore, EPA believes that the DEHNR and FCDEA exclusionary rules meet the requirements listed in the October 15, 1993, guidance document regarding the use of an exclusionary rule cap to justify violation of any rate-based emission limit or other applicable requirements.

Eligibility for federally enforceable exclusionary rule certifications extends not only to certifications made after the effective date of this rule, but also to certifications issued under the State or local current rule prior to the effective date of this rulemaking. If the State or local agency followed its own regulation meaning that, each source received exclusionary rule certifications that established a limiting condition on the facility's PTE, EPA will consider all such exclusionary rule certifications as federally enforceable upon the effective date of this action.

Final action

In this action, EPA is approving the State of North Carolina exclusionary rules found at 15A NCAC 2Q.0800 through 15A NCAC 2Q.0807 into the North Carolina SIP. EPA is also approving the Forsyth County exclusionary rules found at 3Q.0800 through 3Q.0807 into the Forsyth County portion of the North Carolina SIP. EPA is approving North Carolina regulations 15A NCAC 2Q.0801, 2Q.0803 through 2Q.0804 and Forsyth County regulations 3Q.0801, 3Q.0803 through 3Q.0804 for purposes of limiting PTE of HAP under section

112(l) of the CAA. EPA is publishing this document without prior proposal because the EPA views this as a noncontroversial amendment and anticipates no adverse comments. However, in a separate document in this Federal Register publication, EPA is proposing to approve the SIP revision should adverse or critical comments be filed. This action will be effective November 19, 1996, unless within 30 days of its publication, adverse or critical comments are received. If EPA receives such comments, this action will be withdrawn before the effective date by publishing a subsequent document that will withdraw the final action. All public comments received will then be addressed in a subsequent final rule based on this action serving as a proposed rule. EPA will not institute a second comment period on this action. Any parties interested in commenting on this action should do so at this time. If no such comments are received, the public is advised that this action will be effective November 19, 1996.

EPA has reviewed this request for revision of the federally-approved SIP for conformance with the provisions of the 1990 Amendments enacted on November 15, 1990. EPA has determined that this action conforms with those requirements.

Under section 307(b)(1) of the CAA, 42 U.S.C. 7607 (b)(1), petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by November 19, 1996. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2) of the CAA, 42 U.S.C. 7607 (b)(2).)

This action has been classified as a Table 3 action for signature by the Regional Administrator under the procedures published in the Federal Register on January 19, 1989, (54 FR 2214-2225), as revised by a July 10, 1995, memorandum from Mary Nichols, Assistant Administrator for Air and Radiation. The Office of Management and Budget has exempted this action from review under Executive Order 12866.

Nothing in this action shall be construed as permitting or allowing or establishing a precedent for any future request for a revision to any state implementation plan. Each request for

revision to the SIP shall be considered separately in light of specific technical, economic, and environmental factors and in relation to relevant statutory and regulatory requirements.

Under the Regulatory Flexibility Act, 5 U.S.C. 600, EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities. 5 U.S.C. 603 and 604. Alternatively, EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000.

SIP approvals under section 110 and subchapter I, Part D of the CAA do not create any new requirements, but simply approve requirements that the State is already imposing. Therefore, because the Federal SIP-approval does not impose any new requirements, I certify that it does not have a significant impact on any small entities affected. Moreover, due to the nature of the Federal-state relationship under the CAA, preparation of a regulatory flexibility analysis would constitute Federal inquiry into the economic reasonableness of state action. The CAA forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co. v. U.S. E.P.A.*, 427 U.S. 246, 256-66 (S.Ct. 1976); 42 U.S.C. 7410(a)(2) and 7410(k)(3).

D. Unfunded Mandates Reform Act of 1995

Under section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to State, local, or tribal governments in the aggregate, or to the private sector, of \$100 million or more. Under section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the direct final approval action promulgated today does not include a Federal mandate that may result in estimated costs of \$100 million or more to State, local, or tribal governments in the aggregate, or to the private sector. This Federal action approves pre-existing requirements

under State or local law, and imposes no new Federal requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

Under 5 U.S.C. 801(a)(1)(A) as added by the Small Business Regulatory Enforcement Fairness Act of 1996, EPA submitted a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives and the Comptroller General of the General Accounting Office prior to publication of the rule in today's Federal Register. This rule is not a "major rule" as defined by 5 U.S.C. 804(2).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Hydrocarbons, Incorporation by Reference, Intergovernmental relations, Lead, Nitrogen oxides, Ozone, Particulate matter, Sulfur oxides.

Dated: August 5, 1996.

A. Stanley Meiburg,
Acting Regional Administrator.

Part 52 of chapter I, title 40, Code of Federal Regulations, is amended as follows:

PART 52—[AMENDED]

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401-7671q.

2. Section 52.1770 is amended by adding paragraph (c)(89) to read as follows:

§ 52.1770 Identification of plan.

* * * * *

(c) * * *

(89) Exclusionary rules for the State of North Carolina Department of Environment, Health, and Natural Resources and the Forsyth County Department of Environmental Affairs submitted by the North Carolina Department of Environment, Health, and Natural Resources on August 8, 1995, and December 28, 1995, respectively, as part of the North Carolina SIP.

(i) Incorporation by reference.

(A) Regulations 15A NCAC 2Q.0801 through 15A NCAC 2Q.0807 of the North Carolina SIP as adopted by the North Carolina Environmental Management Commission on June 8, 1995, and which became effective on August 1, 1995.

(B) Regulations Subchapter 3Q.0801 through Subchapter 3Q.0807 of the Forsyth County portion of the North Carolina SIP as adopted and made

effective by the Forsyth County Board of Commissioners on November 13, 1995.

(ii) Other material. None.

* * * * *

[FR Doc. 96-24043 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-P

DEPARTMENT OF TRANSPORTATION

Coast Guard

46 CFR Part 42

[CGD 96-006]

RIN 2115-AF29

Extension of Great Lakes Load Line Certificate

AGENCY: Coast Guard, DOT.

ACTION: Direct final rule; confirmation of effective date.

SUMMARY: On July 9, 1996, the Coast Guard published a direct final rule (61 FR 35963; CGD 96-006). This direct final rule notified the public of the Coast Guard's intent to revise the limit on the number of days that a Great Lakes Load Line Certificate extension may be granted from 90 days to 365 days. The Coast Guard has not received an adverse comment, or notice of intent to submit an adverse comment, objecting to this rule as written. Therefore, this rule will go into effect as scheduled.

DATES: The effective date of the direct rule is confirmed as October 7, 1996.

FOR FURTHER INFORMATION CONTACT: LCDR Mark R. DeVries, G-MOC, (202) 267-1464.

Dated: September 17, 1996.

J.C. Card,

Rear Admiral, U.S. Coast Guard, Chief, Marine Safety and Environmental Protection.

[FR Doc. 96-24181 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-14-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 960129019-6019-01; I.D. 081696B]

Fisheries of the Exclusive Economic Zone off Alaska; Reallocation of Pacific Cod

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Reallocation.

SUMMARY: NMFS is reallocating the projected unused amount of Pacific cod from vessels using trawl gear to vessels using hook-and-line or pot gear in the Bering Sea and Aleutian Islands management area (BSAI) and is reallocating Pacific cod from vessels using jig gear to vessels using hook-and-line or pot gear in the BSAI. These actions are necessary to allow the 1996 total allowable catch (TAC) of Pacific cod to be harvested. It is intended to promote the goals and objectives of the North Pacific Fishery Management Council.

EFFECTIVE DATE: September 17, 1996.

FOR FURTHER INFORMATION CONTACT: Andrew N. Smoker, 907-586-7228.

SUPPLEMENTARY INFORMATION: The groundfish fishery in the BSAI exclusive economic zone is managed by NMFS according to the Fishery Management Plan for the Groundfish Fishery of the Bering Sea and Aleutian Islands Area (FMP) prepared by the North Pacific Fishery Management Council under authority of the Magnuson Fishery Conservation and Management Act. Fishing by U.S. vessels is governed by regulations implementing the FMP at subpart H of 50 CFR part 600 and 50 CFR part 679.

Apportionment from Trawl gear to Hook-and-line or Pot Gear

On August 27, 1996, NMFS proposed to apportion the projected unused amount, 15,000 metric tons (mt) of Pacific cod from vessels using trawl gear to vessels using hook-and-line or pot gear and invited public comments (61 FR 44033, August 27, 1996). Twenty letters of comment were received by NMFS regarding the proposed apportionment, all of which supported the action.

The Administrator, Alaska Region, NMFS, has determined that vessels using trawl gear will not be able to harvest 15,000 mt of Pacific cod allocated to those vessels under § 679.20(a)(7)(i)(A).

Therefore, in accordance with § 679.20(a)(7)(ii), NMFS apportions the projected unused amount, 15,000 mt of Pacific cod from vessels using trawl gear to vessels using hook-and-line or pot gear.

Apportionment from Jig Gear to Vessels using Hook-and-line or Pot Gear

In accordance with § 679.20(c)(5), the Pacific cod total allowable catch for the BSAI was established by the Final 1996 Harvest Specifications of Groundfish (61 FR 4311, February 5, 1996), and increased by an apportionment from the

reserve (61 FR 16085, April 11, 1996) to 270,000 metric tons (mt). Of this amount, 5,400 mt was allocated to vessels using jig gear.

The Administrator, Alaska Region, NMFS, has determined that vessels using jig gear will not harvest 4,400 mt of Pacific cod by the end of the year. Therefore, in accordance with § 679.20(a)(7)(ii) NMFS is reallocating the unused amount of 4,400 mt of Pacific cod allocated to vessels using jig gear to vessels using hook-and-line or pot gear.

Classification

This action is taken under 50 CFR 679.20 and is exempt from OMB review under E.O. 12866.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: September 16, 1996.

Gary Matlock,

*Director, Office of Sustainable Fisheries,
National Marine Fisheries Service.*

[FR Doc. 96-24196 Filed 9-17-96; 4:29 pm]

BILLING CODE 3510-22-F

Proposed Rules

Federal Register

Vol. 61, No. 184

Friday, September 20, 1996

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 338

RIN 3064-AB72

Fair Housing

AGENCY: Federal Deposit Insurance Corporation.

ACTION: Proposed rule.

SUMMARY: The FDIC is proposing to amend its fair housing regulation by clarifying certain nondiscriminatory advertising requirements with regard to placement and display of the Equal Housing Lender poster. The FDIC also proposes to offer insured state nonmember banks the option of displaying the Equal Housing Opportunity poster required by regulations of the U.S. Department of Housing and Urban Development and/or using the advertising slogan "Equal Opportunity Lender." The agency further proposes to remove its fair housing recordkeeping requirements that serve as a substitute monitoring program permitted by the Federal Reserve Board's Regulation B, which implements the Equal Credit Opportunity Act, and its requirement that insured state nonmember banks maintain and report a home loan application register in accordance with Regulation C, which implements the Home Mortgage Disclosure Act. Instead, the FDIC will simply cross-reference Regulations B and C and require recordation and reporting of loan denial reasons.

This action is being taken in accordance with section 303 of the Riegle Community Development and Regulatory Improvement Act of 1994, which requires the federal bank and thrift regulatory agencies to review and streamline their regulations and policies in order to improve efficiency, reduce unnecessary costs, eliminate unwarranted constraints on credit availability, and remove inconsistencies and outmoded and duplicative requirements. The intended effect of

these amendments is to reduce burden on insured state nonmember banks and to conform the FDIC's fair housing regulation with those of the other federal bank and thrift regulatory agencies.

DATES: Comments must be received on or before November 19, 1996.

ADDRESSES: Written comments should be addressed to the Office of the Executive Secretary, FDIC, 550 17th Street, NW., Washington, DC 20429. Comments also may be hand delivered to Room 402, 1776 F Street, NW., Washington, DC between 8:30 a.m. and 5:00 p.m. on business days, or sent by facsimile transmission (202-898-3838) or by Internet (comments@fdic.gov). Comments received will be available for public inspection and photocopying at the FDIC Public Information Center, Room 100, 801 17th Street, NW., Washington, DC between 9 a.m. and 4:30 p.m. on business days.

FOR FURTHER INFORMATION CONTACT: Michael R. Evans, Fair Lending Analyst, Fair Lending Section, Division of Compliance and Consumer Affairs, (202) 942-3091; or Lori J. Sommerfeld, Attorney, Regulation and Legislation Section, Legal Division, (202) 898-8515; Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.

SUPPLEMENTARY INFORMATION:

I. Background

The FDIC's fair housing regulation, 12 CFR part 338, contains two parts: nondiscriminatory advertising requirements (subpart A) and recordkeeping requirements (subpart B). Subpart A prohibits insured state nonmember banks from discriminating in home loan advertising and sets forth the text of the Equal Housing Lender poster that must be displayed on bank premises. The intent of subpart A is to prevent discrimination in connection with any residential real estate-related transaction on the basis of race, color, sex, religion, national origin, familial status or handicap. The regulation specifies that this requirement may be satisfied by including in written and visual advertisements a copy of the logotype with the Equal Housing Lender legend contained in the Equal Housing Lender poster or, in oral advertisements, by including a statement that the bank is an "Equal Housing Lender." The advertising requirements enforce section

805 of Title VIII of the Civil Rights Act of 1968 (the Fair Housing Act), as amended by the Fair Housing Amendments Act of 1988 (Pub. L. 100-430, 102 Stat. 1636).

The purpose of subpart B (recordkeeping requirements) is two-fold. First, it requires certain insured state nonmember banks to request and retain information regarding the race, national origin, sex, marital status and age of applicants for a home purchase loan. The purpose of collecting and retaining this information is to monitor an institution's compliance with the Equal Credit Opportunity Act of 1974 (ECOA) (15 U.S.C. 1691-91f). Subpart B also serves as a substitute monitoring program permitted by Regulation B of the Federal Reserve System. See 12 CFR 202.13(d). However, the data collection and retention requirements of subpart B go beyond the requirements of Regulation B. For example, insured state nonmember banks that have no office located in a primary metropolitan statistical area (PMSA) or a metropolitan statistical area (MSA), or that have total assets of \$10 million or less, are also required to request and retain information on the location (street address, city, state, and zip code) of the property to be purchased. Further, insured state nonmember banks that have an office located in a PMSA or an MSA and that have total assets exceeding \$10 million are required to request and retain essentially all of the information listed on the model Residential Loan Application Form contained in appendix B of Regulation B (see 12 CFR part 202, appendix B). This includes such data as employment history of the applicant, number of dependents, assets and liabilities, detailed characteristics of the subject property, and the loan request. Appendix B specifies that institutions may delete any information requested on the model form provided that appropriate notices concerning optional use of titles and disclosure of certain income information and limitations concerning marital status requests are provided. Thus, the other information on the model form is not required by Regulation B.

Second, subpart B notifies insured state nonmember banks of their duty to maintain and report a register of home loan applications, and to update the register on a timely basis, in accordance

with the Federal Reserve Board's Regulation C (12 CFR part 203), which implements the Home Mortgage Disclosure Act (HMDA). Institutions are subject to HMDA and Regulation C if their assets exceed \$10 million and they have offices located in a PMSA or MSA. Information collected under the provisions of this subpart must include the type of loan requested, the purpose of the loan, whether the loan was approved or denied (including an option for collecting denial reasons for disapproved loans), and information on the purchaser, if the loan was sold. This information is consistent with Regulation C.

Subpart B, however, goes beyond the data reporting requirements of Regulation C. Regulation C requires the collection and reporting of race, sex and income of applicants for home loans only for institutions with assets of \$30 million or more that have offices located in a PMSA or MSA. Additionally, Regulation C specifies that the loan register must be current within 30 calendar days after the end of each calendar quarter in which final action is taken. Subpart B extends the collection and reporting of the race, sex, and income of applicants for home loans to institution with assets between \$10 million and \$30 million and requires that an institution enter all required data onto the register within 30 calendar days after final disposition of the loan application.

On September 23, 1994, Congress passed the Riegle Community Development and Regulatory Improvement Act (Pub. L. 103-325, 108 Stat. 2160) (CDRIA). Section 303 of CDRIA requires the federal bank and thrift regulatory agencies to: (1) review and streamline their regulations and written policies in order to improve efficiency, reduce unnecessary cost, eliminate unwarranted constraints on credit availability and remove inconsistencies and outmoded and duplicative requirements; (2) work jointly with other federal banking regulators to make uniform all regulations and guidelines implementing common statutory or supervisory policies; and (3) submit a joint progress report to Congress, due two years from the date the legislation was enacted.

In response to the mandate of section 303 of CDRIA, the FDIC began a systematic review of its regulations and written policies. On December 6, 1995, the FDIC solicited public comment to assist the agency in identifying ways in which its regulations and written policies could be streamlined and made consistent with those of the other

federal bank and thrift regulatory agencies. See 60 FR 62345. As a result of the agency's internal review and public comments received, the FDIC has determined that it is appropriate to revise 12 CFR part 338 to clarify or eliminate certain provisions in order to reduce burden on insured state nonmember banks and to make the FDIC's fair housing regulation consistent with those of the other federal bank and thrift regulators.

II. The Proposed Rule

A. General

The FDIC is proposing to revise its fair housing regulation, 12 CFR part 338, by clarifying certain nondiscriminatory advertising requirements with regard to placement and display of the Equal Housing Lender poster. The FDIC also proposes to offer insured state nonmember banks the option of displaying the Equal Housing Opportunity poster required by the U. S. Department of Housing and Urban Development (HUD) and/or using the slogan "Equal Opportunity Lender." The agency further proposes to remove its fair housing recordkeeping requirements that serve as a substitute monitoring program permitted by the Federal Reserve Board's Regulation B, which implements ECOA. Finally, the agency proposes to remove its requirement that insured state nonmember banks maintain a home loan application register consistent with that required to be maintained by the Federal Reserve Board's Regulation C, which implements HMDA, and a requirement that those institutions report race, sex and income of applicants. Instead, the FDIC will simply cross-reference Regulations B and C and require recordation and reporting of loan denial reasons.

B. Subpart A—Nondiscriminatory Advertising

The FDIC proposes to revise subpart A to clarify certain nondiscriminatory advertising requirements that currently reference HUD's regulations, to allow the FDIC's Equal Housing Lender poster or HUD's Equal Housing Opportunity poster to be displayed by insured state nonmember institutions, as well as to allow the option of using either the slogan "Equal Housing Lender" or "Equal Opportunity Lender" in oral advertisements, and to clarify the display of the Equal Housing Lender poster.

As a result of HUD's regulatory review in accordance with President Clinton's March 4, 1995, executive memorandum directing all federal agencies to simplify

their regulations, HUD recently removed part 109 (Fair Housing Advertising) from its regulations (24 CFR part 109) and intends to relegate the information contained in the former part 109 to other non-codified guidance. See 61 FR 14378 (April 1, 1996). Accordingly, the FDIC is proposing to revise § 338.1 to eliminate a reference to part 109. Section 338.1 is also proposed to be revised to reflect the proposed changes to §§ 338.3 and 338.4 discussed below. The FDIC proposes to add a new section to § 338.3 advising all insured state nonmember banks to refer to HUD for further guidance concerning fair housing advertising beyond that set forth in § 338.3. No changes are proposed for § 338.2, Definitions.

The FDIC proposes to revise the nondiscriminatory advertising requirements set forth in § 338.3. Currently, insured state nonmember banks are required to include in all written and visual advertisements a copy of the Equal Housing Lender logotype and legend contained in the Equal Housing Lender poster prescribed in § 338.4, or, with respect to oral advertisements, a statement that the bank is an "Equal Housing Lender." Under the proposed revision to § 338.3, insured state nonmember banks will have the option of using a copy of the Equal Housing Opportunity logotype and legend contained in the Equal Housing Opportunity poster as prescribed in § 110.25(a) of HUD's rules and regulations (24 CFR 110.25(a)) in written and visual advertisements. With respect to oral advertisements, insured state nonmember banks will also have the option of using the slogan "Equal Opportunity Lender" in lieu of the slogan "Equal Housing Lender." The optional use of either poster or slogan is designed to provide flexibility for institutions that offer a broader array of loan products than mortgage loans (e.g., auto, consumer, and credit card extensions of credit). Comments from a trade organization, which were received in response to the FDIC's December 6, 1995, solicitation of comments, also suggest that the use of "Equal Opportunity Lender" is more understandable within the banking industry.

The FDIC considered eliminating its Equal Housing Lender poster. However, eliminating the FDIC's poster requirement would result in all insured state nonmember banks having to replace existing FDIC posters and display instead the Equal Housing Opportunity poster prescribed by HUD. Pursuant to § 110.10(c) of HUD's regulations (24 CFR 110.10(c)), lenders that engage in residential real estate-

related transactions must post and maintain a fair housing poster at all of their places of business which participate in covered activities. Failure to display a fair housing poster is deemed *prima facie* evidence of a discriminatory housing practice under § 110.30 of HUD's regulations (24 CFR 110.30). To eliminate the FDIC's poster would place an undue burden on those institutions that currently display the FDIC poster since they would be required to replace those posters with the HUD poster. Consequently, the FDIC believes that the most prudent and least burdensome course of action is to offer insured state nonmember banks the option of displaying either fair housing poster. However, the FDIC seeks comments on this issue.

The proposed rule would also clarify display of the poster. Currently, § 338.4 requires the poster to be conspicuously displayed, "in any public lobby and area within the bank where deposits are received or where such loans are made in a manner clearly visible to the general public entering such areas." This has created some confusion regarding whether multiple posters must be displayed and whether the posters should be displayed only in the lobby or public area in the vicinity of where loans are made or also in the individual office of the loan officer. In order to create consistency and eliminate confusion among insured state nonmember banks, the proposed revision to § 338.4 will allow either poster, as discussed above, to be displayed in a single central location within the bank where deposits are received or where such home loans are made. Regardless of which poster a bank chooses to display, the poster must be displayed in a manner clearly visible to the general public entering the area, either where deposits are received or where home loans are made, where the poster is displayed.

C. Subpart B—Recordkeeping Requirements

The FDIC is proposing to revise subpart B to reduce data collection and reporting burden on insured state nonmember banks and to make the FDIC's recordkeeping and reporting requirements consistent with those of the other federal bank and thrift regulatory agencies. Specifically, the proposed revision will eliminate all recordkeeping and reporting requirements that exceed the recordkeeping and reporting requirements of Regulations B and C. However, the proposal will require that insured state nonmember banks and other lenders that are required to report

HMDA data to the FDIC pursuant to Regulation C also report reasons for denial of home loan applications. This data is currently optional under Regulation C.

Section 338.6 currently contains five definitions relevant to subpart B: "application", "bank", "dwelling", "home improvement loan", and "home purchase loan". The FDIC proposes to revise § 338.6 by eliminating the definitions for application, dwelling, home improvement loan, and home purchase loan. These definitions have created some confusion within the industry since Regulations B and C contain similar, but not always identical, definitions. For example, the term *dwelling* as defined in § 338.6 includes, but is not limited to, an individual condominium, cooperative unit, or mobile or manufactured home. However, the term *dwelling* as defined in Regulation B further limits the term to a structure containing one to four units. Another example is the definition of *home improvement loan*. Section 338.6 states, in part, that the borrower must state that the loan is to be used "for the purpose of repairing, rehabilitating, or remodeling a dwelling", while Regulation C requires the borrower to use the loan for "the purpose, in whole or in part, of repairing, rehabilitating, remodeling or improving a dwelling or the real property on which it is located." A statement by the borrower is not a determining factor under Regulation C. Eliminating the definitions in part 338 will automatically subject insured state nonmember banks to the relevant definitions in Regulations B and C and create consistency.

The FDIC also proposes to revise § 338.6 to include a definition for *controlled entity*, a term that is found in § 338.9. Although part 338 contained a definition for "controlled entity" when the regulation was first promulgated in 1978, the definition was inadvertently dropped when part 338 was last amended in 1991. That definition, which is "a corporation, partnership, association, or other business entity with respect to which a bank possesses, directly or indirectly, the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract, or otherwise," is being reinstated.

Under the current provisions of § 338.7, all insured state nonmember banks are required to collect data on the race or national origin, sex, age, and marital status of applicants for a home purchase loan in order to monitor an institution's compliance with the ECOA.

However, the data collection and retention requirements of § 338.7 go beyond the requirements of Regulation B. For example, institutions that have no office located in a PMSA or MSA, or which have total assets of \$10 million or less, are also required to request and retain information on the location (street address, city, state, and zip code) of the property to be purchased. Further, insured state nonmember banks that have an office located in a PMSA or MSA and that have total assets exceeding \$10 million are required to request and retain essentially all of the information listed on the model Residential Loan Application Form contained in Appendix B of Regulation B (See 12 CFR part 202, appendix B). This includes such data as employment history of the applicant, number of dependents, assets and liabilities, detailed characteristics of the subject property, and the loan request. Appendix B of Regulation B provides that creditors may delete any of the information requested provided the appropriate notices concerning the optional use of courtesy titles, disclosure of certain income, and limitations concerning marital status are included.

Comments received from the community bankers in response to the FDIC's December 6, 1995, general solicitation of comments indicate that the most difficult problems with the documentation come from the additional data required by the current provisions of § 338.7. The proposed revisions to § 338.7 would require all insured state nonmember banks to collect only the fair housing data (age, sex, marital status and race or national origin) that is already required by Regulation B. The mandatory collection of the additional data currently required by § 338.7 is considered unnecessary as collection of these, or similar data, is standard industry practice. Under the proposal, the burden of collecting the required additional information will be eliminated. The FDIC considered the complete removal of § 338.7 because, absent a specific requirement by the FDIC in part 338, all insured state nonmember banks would still be required by Regulation B to collect information about the applicant's race and other personal characteristics in applications for certain dwelling-related loans even without this section. However, the FDIC has opted in this proposal to provide a cross-reference to put insured state nonmember banks on notice of the need to comply with the Regulation B requirements. The FDIC

solicits comments on the necessity and usefulness of this cross-reference.

Section 338.8 currently requires insured state nonmember banks with assets exceeding \$10 million that have offices located in a PMSA or an MSA to collect data regarding applications for, and originations and purchases of, home purchase loans and home improvement loans for each calendar year. Section 338.8 also requires insured state nonmember banks to update the HMDA home loan application register within 30 days of final action on each application. Further, § 338.8 requires that all institutions subject to Regulation C report data on the sex, race or national origin, and income of applicants. Such data are optional under Regulation C for institutions with assets between \$10 million and \$30 million.

The FDIC proposes to revise § 338.8 to require institutions to comply only with the provisions of the Federal Reserve Board's Regulation C. For calendar year 1995, the FDIC had 3,052 institutions report data pursuant to § 338.8. This revision would eliminate the requirement for reporting data on the sex, race or national origin, and income of applicants for approximately 500 institutions that have assets between \$10 million and \$30 million.

The FDIC is also proposing to revise § 338.8 to require those institutions that are subject to Regulation C to collect and report the reasons for denial of each loan application. The reporting of denial reasons is currently optional under Regulation C. By requiring this data to be mandatory, § 338.8 would impact all of the 3,052 institutions that currently report HMDA data to the FDIC. However, a review of the 1995 HMDA data indicates that, while these data are optional, 2,171 of the FDIC's 3,052 reporting institutions opted to report denial reasons on at least some of their applications for 1995. Requiring the reporting of the denial reasons will make the FDIC's reporting requirements consistent with the Office of the Thrift Supervision and the Office of the Comptroller of the Currency, which also requires the reporting of the denial reasons.

See 12 CFR 528.6 and 12 CFR 27.3(a)(1). While the mandatory reporting of denial reasons is a new requirement for insured state nonmember banks, the FDIC believes the burden is offset by the amount of required data being eliminated under the revised provisions of § 338.7 and elimination of the reporting requirement of sex, race or national origin, and income of home loan applicants for institutions having assets between \$10 million and \$30 million that are subject

to Regulation C. We further believe that the reporting of denial reasons are data that are extremely useful in preventing and detecting unlawful discriminatory lending practices.

By requiring institutions to follow only Regulation C, the proposed revision will require the loan application register to be updated within 30 days of the end of each quarter in which final action is taken. This will also make the FDIC consistent with the regulations of the Office of Thrift Supervision and the Office of the Comptroller of the Currency.

The FDIC also proposes to revise § 338.5, which describes the purpose of subpart B, to reflect the changes to §§ 338.6, 338.7, 338.8 and 338.9.

Regulatory Flexibility Act

The Board of Directors, in accordance with the Regulatory Flexibility Act (5 U.S.C. 606(b)), has reviewed and approved this proposed rule, and in so doing, certifies that this rule will not have a significant economic impact on a substantial number of small entities. This proposed rule primarily streamlines part 338 by clarifying or removing unnecessary provisions. The Board of Directors invites comment on this matter.

Paperwork Reduction Act

The proposed regulation contains two collections of information subject to approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1980 (44 U.S.C. 3504(h)).

The collection of information requirements in this proposed regulation are contained in 12 CFR 338.7 and 338.8 and concern information on certain home loan applications. This information is required in order to monitor institutions compliance with the Equal Credit Opportunity Act of 1974 (ECOA) and the Fair Housing Act of 1968, as amended by the Fair Housing Act of 1988. The respondents/recordkeepers are for-profit financial institutions, including small businesses.

The first collection, 12 CFR 338.7, is imposed on insured state nonmember banks by the Federal Reserve Board's Regulation B (Equal Credit Opportunity). This recordkeeping requirement, found at § 338.7, has been approved through October 31, 1998, by the OMB in accordance with the Paperwork Reduction Act under control number 3064-0085.

As explained in the preamble, subpart B of part 338 currently requires insured state nonmember banks to collect information about a home loan

applicant's race and other personal characteristics in order to comply with Regulation B (specifically, 12 CFR 202.13). Section 338.7 of the FDIC's current regulations serves as a substitute monitoring program permitted by Regulation B, which implements ECOA. However, the current requirements go beyond those of Regulation B by imposing additional data collection requirements upon certain insured state nonmember banks. Nevertheless, the proposed revisions will not affect the annual burden per respondent/recordkeeper as the required data being eliminated are data that are collected, with some variances, pursuant to standard industry practice. Accordingly, the estimated 305,300 approved annual burden hours, which was based on 6500 respondents, under the current requirements are only reduced because fewer insured state nonmember banks are in existence now than at the time of the last burden estimate. Thus, the total annual burden hours for the current 6500 respondents are estimated to be 279,500 hours or 43 hours per respondent.

The second collection, found at § 338.8, has been approved through July 31, 1997, by the OMB in accordance with the requirements of the Paperwork Reduction Act under control number 3064-0046. The FDIC is eliminating in this proposal its requirement that insured state nonmember banks (except those that are exempt from HMDA and Regulation C) maintain a loan application register identical to that prescribed by Regulation C. The proposed rule would eliminate the FDIC's separate recordkeeping and reporting requirements contained in § 338.8 and rely instead upon Regulation C. However, Regulation C currently makes reporting of home loan denial reasons optional. The FDIC would require insured state nonmember banks that are subject to HMDA and Regulation C to retain and report such data. However, the estimated annual burden hours, currently 45.36 hours per respondent or 145,833 annual burden hours, are not affected by the proposed changes since optional data are included in the estimated annual burden hours. Nevertheless, the estimated annual burden hours are affected both by a reduction in respondents (currently 3,052 versus the previous 3,215) and a reduction in the number of loan entries (currently 1,500,000 versus the previous 1,750,000). The 3052 institutions currently subject to this collection are expected to use the HMDA loan application register to report data on 1.5

million loans and applications annually. It takes five minutes to complete an entry on one loan. Thus, the total annual burden is 125,000 burden hours or 40.96 hours per respondent.

Comments on the collection of information should be sent to the Office of Management and Budget, Paperwork Reduction Project, Washington, DC 20503, with copies of such comments to be sent to Steven F. Hanft, Office of the Executive Secretary, Room F-453, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.

List of Subjects in 12 CFR Part 338

Advertising, Banks, Banking, Civil rights, Credit, Fair housing, Mortgages, Reporting and recordkeeping requirements, Signs and symbols.

For the reasons explained in the preamble, the Federal Deposit Insurance Corporation proposes to amend 12 CFR part 338 as set forth below.

1. The table of contents for part 338 is revised to read as follows:

PART 338—FAIR HOUSING

Subpart A—Advertising

Sec.

338.1 Purpose.

338.2 Definitions applicable to subpart A of this part.

338.3 Nondiscriminatory advertising.

338.4 Fair housing poster.

Subpart B—Recordkeeping

338.5 Purpose.

338.6 Definitions applicable to subpart B of this part.

338.7 Recordkeeping requirements.

338.8 Compilation of loan data in register format.

338.9 Mortgage lending of a controlled entity.

2. The authority citation for part 338 continues to read as follows:

Authority: 12 U.S.C. 1817, 1818, 1819, 1820(b); 12 U.S.C. 2801 et seq.; 15 U.S.C. 1691 et seq.; 42 U.S.C. 3605, 3608; 12 CFR part 202; 12 CFR part 203; 24 CFR part 110.

3. Section 338.1 is revised to read as follows:

§ 338.1 Purpose.

The purpose of this subpart A is to prohibit insured state nonmember banks from engaging in discriminatory advertising with regard to residential real estate-related transactions. Subpart A also requires insured state nonmember banks to publicly display either the Equal Housing Lender poster set forth in § 338.4 or the Equal Housing Opportunity poster prescribed by part 110 of the rules and regulations of the United States Department of Housing and Urban Development (HUD) (24 CFR

part 110). This subpart A enforces section 805 of title VIII of the Civil Rights Act of 1968, 42 U.S.C. 3601–19 (Fair Housing Act), as amended by the Fair Housing Amendments Act of 1988.

4. Section 338.3 is amended by revising paragraphs (a)(1) and (a)(2) and by adding a new paragraph (c) to read as follows:

§ 338.3 Nondiscriminatory advertising.

(a) * * *

(1) With respect to written and visual advertisements, this requirement may be satisfied by including in the advertisement a copy of the logotype with the Equal Housing Lender legend contained in the Equal Housing Lender poster prescribed in § 338.4(b) or a copy of the logotype with the Equal Housing Opportunity legend contained in the Equal Housing Opportunity poster prescribed in § 110.25(a) of the United States Department of Housing and Urban Development's rules and regulations. (24 CFR 110.25(a)).

(2) With respect to oral advertisements, this requirement may be satisfied by a statement, in the spoken text of the advertisement, that the bank is an "Equal Housing Lender" or an "Equal Opportunity Lender."

* * * * *

(c) For further guidance, the United States Department of Housing and Urban Development should be consulted. Contact the Deputy Assistant Secretary for Enforcement and Investigations, Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410.

5. Section 338.4 is amended by revising the section heading and paragraph (a) to read as follows:

§ 338.4 Fair housing poster.

(a) Each bank engaged in extending loans for the purpose of purchasing, constructing, improving, repairing, or maintaining a dwelling or any loan secured by a dwelling shall conspicuously display either the Equal Housing Lender poster set forth in § 338.4 or the Equal Housing Opportunity poster prescribed by § 110.25(a) of the United States Department of Housing and Urban Development's rules and regulations (24 CFR 110.25(a)), in a central location within the bank where deposits are received or where such loans are made in a manner clearly visible to the general public entering the area, where the poster is displayed.

* * * * *

6. Subpart B is amended by revising the subpart heading to read as follows:

Subpart B—Recordkeeping

7. Section 338.5 is revised to read as follows:

§ 338.5 Purpose.

The purpose of this subpart B is two-fold. First, subpart B requires all insured state nonmember banks to collect information about a home loan applicant's race and other personal characteristics in order to monitor an institution's compliance with the Equal Credit Opportunity Act of 1974 (15 U.S.C. 1691–91f), as implemented by Regulation B of the Board of Governors of the Federal Reserve System (12 CFR part 202). Second, subpart B notifies certain insured state nonmember banks of their duty to maintain a register of home loan applications pursuant to Regulation C of the Board of Governors of the Federal Reserve System (12 CFR part 203), which implements the Home Mortgage Disclosure Act (12 U.S.C. 2801 et seq.), and to report the reasons for denial of any home loan application that would be reportable under Regulation C.

8. Section 338.6 is revised to read as follows:

§ 338.6 Definitions applicable to subpart B of this part.

For purposes of subpart B of this part—

(a) *Bank* means an insured state nonmember bank as defined in section 3 of the Federal Deposit Insurance Act.

(b) *Controlled entity* means a corporation, partnership, association, or other business entity with respect to which a bank possesses, directly or indirectly, the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract, or otherwise.

9. Section 338.7 is revised to read as follows:

§ 338.7 Recordkeeping requirements.

All banks that receive an application for credit primarily for the purchase or refinancing of a dwelling occupied or to be occupied by the applicant as a principal residence, where the extension of credit will be secured by the dwelling, shall request and retain the monitoring information required by Regulation B of the Board of Governors of the Federal Reserve System (12 CFR part 202).

10. Section 338.8 is revised to read as follows:

§ 338.8 Compilation of loan data in register format.

Banks and other lenders required to file a Home Mortgage Disclosure Act Loan Application Register with the

Federal Deposit Insurance Corporation in accordance with Regulation C of the Board of Governors of the Federal Reserve System (12 CFR part 203) must enter the reason for denial, using the codes provided in 12 CFR part 203, with respect to all loan denials.

11. Appendices A and B to Part 338 are removed.

By order of the Board of Directors.

Dated at Washington, D.C., this 10th day of September, 1996.

Federal Deposit Insurance Corporation.

Jerry L. Langley,

Executive Secretary.

[FR Doc. 96-24083 Filed 9-19-96; 8:45 am]

BILLING CODE 6714-01-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 96-ANM-25]

Proposed Amendment to Class E Airspace, Pullman, Washington

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This proposed rule would amend the Pullman, Washington, Class E airspace to accommodate a new Standard Instrument Approach Procedure (SIAP) to Pullman/Moscow Regional Airport. The area would be depicted on aeronautical charts for pilot reference.

DATES: Comments must be received on or before November 15, 1996.

ADDRESSES: Send comments on the proposal in triplicate to: Manager, Operations Branch, ANM-530, Federal Aviation Administration, Docket No. 96-ANM-25, 1601 Lind Avenue S.W., Renton, Washington 98055-4056.

The official docket may be examined at the same address.

An informal docket may also be examined during normal business hours at the address listed above.

FOR FURTHER INFORMATION CONTACT: James D. Lambert, ANM-532.3, Federal Aviation Administration, Docket No. 96-ANM-25, 1601 Lind Avenue S.W., Renton, Washington 98055-4056; telephone number: (206) 227-2538.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views,

or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy related aspects of the proposal. Communications should identify the airspace docket number and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made:

"Comments to Airspace Docket No. 96-ANM-25." The postcard will be date/time stamped and returned to the commenter. All communications received on or before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination at the address listed above both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRM's

Any person may obtain a copy of this NPRM by submitting a request to the Federal Aviation Administration, Operations Branch, ANM-530, 1601 Lind Avenue SW., Renton, Washington 98055-4056. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2A, which describes the application procedure.

The Proposal

The FAA is considering an amendment to part 71 of the Federal Aviation Regulations (14 CFR part 71) to amend Class E airspace at Pullman, Washington, to accommodate a new SIAP at Pullman/Moscow Regional Airport. The area would be depicted on aeronautical charts for pilot reference. The coordinates for this airspace docket are based on North American Datum 83. Class E airspace areas extending upward from 700 feet or more above the surface of the earth are published in Paragraph 6005 of FAA Order 7400.9D dated September 4, 1996, and effective September 16, 1996, which is

incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document would be published subsequently in the Order.

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959-1963 Comp., p. 389; 14 CFR 11.69.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9C, Airspace Designations and Reporting Points, dated September 4, 1996, and effective September 16, 1996, is amended as follows:

Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ANM WA E5 Pullman, WA [Revised]
Pullman/Moscow Regional airport, WA
(Lat. 46°44'38"N, long. 117°06'35"W)
Pullman VOR/DME
(Lat. 46°40'28"N, long. 117°13'25"W)

That airspace extending upward from 700 feet above the surface within a 4-mile radius of the Pullman/Moscow Regional Airport, and within 1.7 miles each side of the Pullman VOR/DME 232° and 047° radials extending from the 4-mile radius to 7 miles southwest of the VOR/DME, and the airspace

within a 27-mile radius of the Pullman VOR/DME extending clockwise from the 342° radial to the 060° radial of the VOR/DME; that airspace extending upward from 1,200 feet above the surface within 7.8 miles northwest and 5.2 miles southeast of the Pullman VOR/DME 052° and 232° radials extending from 15.2 miles southwest to 6.5 miles northeast of the VOR/DME.

Issued in Seattle, Washington, on September 6, 1996.

Glenn A. Adams III,

*Assistant Manager, Air Traffic Division,
Northwest Mountain Region.*

[FR Doc. 96-24175 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-13-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[NC-043-1-9618b; FRL-5609-2]

Approval and Promulgation of Implementation Plan, North Carolina: Approval of Cape Industries, Air Permit No. 130R17

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: On August 17, 1989, the State of North Carolina issued to Cape Industries, located in Wilmington, New Hanover County, North Carolina, air permit number 130R11, which set the sulfur dioxide emission limit at 2.3 pounds per million British Thermal Units (BTU). The State then submitted this permit to EPA on September 21, 1989, for approval as a revision to the State implementation plan (SIP). Air permit number 130R11 expired on October 1, 1991, and was subsequently replaced by the current Cape Industries air permit number 130R17 in December 29, 1994. Upon review of the permit, EPA finds that the designated limit for Cape Industries is adequate to protect the ambient standard and approves this permit. In the final rules section of this Federal Register, the EPA is approving the State's SIP revision as a direct final rule without prior proposal because the EPA views this as a noncontroversial revision amendment and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to that direct final rule, no further activity is contemplated in relation to this proposed rule. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final based on this proposed rule. The EPA will not

institute a second comment period on this document. Any parties interested in commenting on this document should do so at this time.

DATES: To be considered, comments must be received by October 21, 1996.

ADDRESSES: Written comments on this action should be addressed to Mr. Randy Terry at the EPA Regional Office listed below.

Copies of the documents relative to this action are available for public inspection during normal business hours at the following locations. The interested persons wanting to examine these documents should make an appointment with the appropriate office at least 24 hours before the visiting day.

Air and Radiation Docket and Information Center (Air Docket 6102), U.S. Environmental Protection Agency, 443, 401 M Street, SW, Washington DC 20460.

Environmental Protection Agency, Region 4 Air Programs Branch, 345 Courtland Street, NE, Atlanta, Georgia 30365.

North Carolina Department of Environment, Health and Natural Resources, 512 North Salisbury Street, Raleigh, North Carolina 27604.

FOR FURTHER INFORMATION CONTACT: Mr. Randy Terry, Regulatory Planning and Development Section, Air Programs Branch, Air, Pesticides, and Toxics Management Division, Region 4 Environmental Protection Agency, 345 Courtland Street, Atlanta, Georgia 30365. The telephone number is 404/347-3555, ext. 4212.

SUPPLEMENTARY INFORMATION: For additional information see the direct final rule which is published in the rules section of this Federal Register.

Dated: June 6, 1996.

Michael V. Peyton,

Acting Regional Administrator.

[FR Doc. 96-24044 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-P

40 CFR Part 52

[NC-78-1-7236b; NC-80-2-9631b; FRL-5606-2]

Approval and Promulgation of Implementation Plans North Carolina: Approval of Revisions to State of North Carolina's State Implementation Plan (SIP)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The EPA proposes to approve the State Implementation Plan (SIP)

revision submitted by the State of North Carolina and the Forsyth County Department of Environmental Affairs for the purpose of allowing the State and the County to utilize exclusionary rules for the purpose of limiting potential to emit air pollutants for certain source categories to less than the title V permitting major source thresholds. In the final rules section of this Federal Register, EPA is approving the State's SIP revision as a direct final rule without prior proposal because the EPA views this as a noncontroversial revision amendment and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to that direct final rule, no further activity is contemplated in relation to this proposed rule. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period on this document. Any parties interested in commenting on this document should do so at this time.

DATES: To be considered, comments must be received by October 21, 1996.

ADDRESSES: Written comments should be addressed to Scott Miller of the EPA Regional office listed below.

Copies of the material submitted by the State of North Carolina may be examined during normal business hours at the following locations:

Air and Radiation Docket and Information Center (Air Docket 6102), U.S. Environmental Protection Agency, 401 M Street, SW, Washington, DC 20460.

Environmental Protection Agency, Region 4 Air Planning Branch, 100 Alabama Street, SW, Atlanta, Georgia 30303.

North Carolina Department of Environment, Health, and Natural Resources, P.O. Box 29535, Raleigh, North Carolina 27626.

Forsyth County Environmental Affairs Department, Air Quality Section, 537 North Spruce Street, Winston-Salem, North Carolina 27101.

FOR FURTHER INFORMATION CONTACT: Scott Miller, Air Programs Branch, Air, Pesticides & Toxics Management Division, Region 4 Environmental Protection Agency, 345 Courtland Street, NE, Atlanta, Georgia 30365. The telephone number is 404/347-3555 ext. 4153.

SUPPLEMENTARY INFORMATION: For additional information see the direct final rule which is published in the rules section of this Federal Register.

Dated: August 5, 1996.

A. Stanley Meiburg,

Acting Regional Administrator.

[FR Doc. 96-24042 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-P

40 CFR Parts 153 and 159

[OPP-60010F; FRL-5396-1]

RIN 2070-AB50

Reporting Requirements for Risk/ Benefit Information; Extension of Comment Period to Request Comments on Burden Estimates; Denial of Petition

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposal; extension of comment period; denial of petition.

SUMMARY: In the Federal Register of August 12, 1996, EPA reopened the comment period for a proposed rule that published in the Federal Register of September 24, 1992, which defined the specifics of reporting requirements under section 6(a)(2) of the Federal Insecticide, Fungicide, and Rodenticide Act. This document announces the extension of the comment period for an additional 30 days. This document also announces the Agency's decision to deny a petition request to reopen the comment period to address broader issues of the proposed rule.

DATES: Comments must be submitted on or before October 21, 1996.

ADDRESSES: Submit written comments identified by the docket control number OPP-60010F by mail to: Public Response Section, Field Operations Division (7506C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. In person, bring comments directly to the OPP docket which is located in Rm. 1132 of Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA.

Comments and data may also be submitted electronically by sending electronic mail (e-mail) to: opp-docket@epamail.epa.gov. Electronic comments must be submitted as an ASCII file avoiding the use of special characters and any form or encryption. Comments and data will also be accepted on disks in WordPerfect 5.1 file format or ASCII file format. All comments and data in electronic form must be identified by the docket number "OPP-60010F." No Confidential Business Information (CBI) should be submitted through e-mail. Electronic comments on this document may be

filed online at many Federal Depository Libraries.

Information submitted as a comment concerning this document may be claimed confidential by marking any part or all of that information as CBI. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the comment that does not contain CBI must be submitted for inclusion in the public record. Information not marked confidential may be disclosed publicly by EPA without prior notice. All comments will be available for public inspection in Rm. 1132 at the Virginia address given above from 8 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays.

FOR FURTHER INFORMATION CONTACT: Jim Roelofs, Policy and Special Projects Staff, Office of Pesticide Programs, Environmental Protection Agency, Mail Code (7501C), 401 M St., SW., Washington, DC 20460, Telephone: (703) 308-2964, e-mail: roelofs.jim@epamail.epa.gov.

SUPPLEMENTARY INFORMATION:

In the Federal Register of August 12, 1996 (61 FR 41764) (FRL-5388-1), EPA announced the reopening of the comment period to a proposed rule published in the Federal Register of September 24, 1992 (57 FR 44290), which defined the specifics of reporting requirements under section 6(a)(2) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). Comments were limited to the sole issue of the costs or burdens associated with the proposed rule and the latest draft of the final rule.

On August 29, 1996, a number of industry trade associations formally petitioned the Agency to extend the comment period for 60 days, and to initiate a broader reopening of the rulemaking record to take comment on a number of provisions in the June 14, 1996 "draft final" version of the rule. In addition to specific provisions, the petitioners seem to argue that this broader reopening is necessary in order to allow commenters to address the value and legality of the requested information in addition to the burden associated with the information. The Agency believes that all the information covered by the draft final rule is information contained within the broad scope of section 6(a)(2). The Agency does not believe that a notice and comment opportunity is necessary or would be particularly helpful to resolve this legal issue. Similarly, the Agency does not believe that a notice and comment opportunity is either legally

mandated or would be particularly helpful in assisting the Agency to assess the regulatory utility of the information covered in the draft final rule. Finally, the petitioners assert that specific provisions of the June 14 "draft final" rule which differ from provisions of the 1992 proposed rule were wholly unanticipated and did not arise from comments received on the proposed rule. The Agency does not agree; the specific provisions noted by the petitioners arose from the Agency's interpretation of and response to comments received, including, in some instances, comments from the petitioners themselves. While the Agency appreciates the concerns of the petitioners and has no interest in the imposition of unnecessary or undue reporting burdens on pesticide registrants, EPA continues to believe that a reopening of the record limited to information concerning the nature of the burden associated with the draft final reporting requirements is both legally sufficient and the best way of providing interested parties with an opportunity to provide information to the Agency that could be helpful in concluding this rulemaking.

The Agency is therefore denying the petition request to reopen the record to include issues other than that of the burden associated with the reporting requirements. The Agency believes an additional period of 30 days is appropriate and sufficient to give petitioners added opportunity to comment on burden issues.

List of Subjects in Part 153 and 159

Environmental protection, Information collection requests, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: September 12, 1996.

Lynn R. Goldman,

*Assistant Administrator for Prevention,
Pesticides and Toxic Substances.*

[FR Doc. 96-24201 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-F

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 571

[Docket No. 96-095, Notice 02]

RIN 2127-AG50

Federal Motor Vehicle Safety Standards; Child Restraint Systems

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Notice of public workshop; correction.

SUMMARY: This document announces that NHTSA has rescheduled the public workshop on potential requirements for universal child restraint anchorage systems. The workshop will be held on October 17 and October 18 rather than on October 9 and 10. The agency is making this change to accommodate the schedules of certain attendees to the workshop. Readers should refer to the September 10, 1996 Federal Register for detailed information about this workshop. (61 FR 47728).

DATES: *Public workshop:* The public workshop will be held in Washington, DC on October 17 and 18, 1996, from 9:30 a.m. to 5:00 p.m.

Those wishing to participate in the workshop should contact Dr. George Mouchahoir, at the address or telephone number listed below, by October 11, 1996.

Written comments: Written comments may be submitted to the agency and must be received by October 28, 1996.

ADDRESSES: *Public workshop:* The public workshop will be held in room 2230 of the Nassif Building, 400 Seventh St., SW., Washington, DC 20590.

Written comments: All written comments must refer to the docket and notice number of this notice and be submitted (preferable 10 copies) to the Docket Section, National Highway Traffic Safety Administration (NHTSA), Room 5109, 400 Seventh St., SW., Washington, DC 20590. Docket hours are from 9:30 a.m. to 4:00 p.m. Monday through Friday.

FOR FURTHER INFORMATION CONTACT:

Dr. George Mouchahoir, Office of Crashworthiness Standards, National Highway Traffic Safety Administration, 400 Seventh St., SW., Washington, DC 20590 (telephone 202-366-4919).

Issued on: September 16, 1996.

L. Robert Shelton,

Acting Associate Administrator for Safety Performance Standards.

[FR Doc. 96-24136 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-49-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 648

[Docket No. 960910252-6252-01; I.D. 082296B]

RIN 0648-A177

Fisheries of the Northeastern United States; Atlantic Sea Scallop Fishery; Amendment 5

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Proposed rule; request for comments.

SUMMARY: NMFS proposes regulations to implement Amendment 5 to the Fishery Management Plan for the Atlantic Sea Scallop Fishery (FMP). The amendment would: Close a 9 mi² (23.31 km²) site to mobile fishing gear and partially close the site to non-mobile gear for an 18-month period, and temporarily exempt certain vessels from fishing regulations. The intended effect is to support an aquaculture research project and prevent conflicts between fishing gear and project equipment for the limited duration of the research project.

DATES: Comments on the proposed rule must be received on or before November 1, 1996.

ADDRESSES: Comments on the proposed rule, Amendment 5, or its supporting documents should be sent to Dr. Andrew A. Rosenberg, Director, Northeast Regional Office, NMFS, 1 Blackburn Drive, Gloucester, MA 01930. Mark the outside of the envelope "Comments on Sea Scallop Plan."

Comments regarding burden-hour estimates for collection-of-information requirements contained in this proposed rule should be sent to Dr. Andrew A. Rosenberg, at the address above, and to the Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Washington, D.C. 20502 (Attention: NOAA Desk Officer).

Copies of Amendment 5, its regulatory impact review, initial regulatory flexibility analysis, and the environmental assessment are available from Christopher Kellogg, Acting Executive Director, New England Fishery Management Council, Suntaug Office Park, 5 Broadway, Saugus, MA 01906-1097.

FOR FURTHER INFORMATION CONTACT: Paul H. Jones, Fishery Policy Analyst, 508-281-9273.

SUPPLEMENTARY INFORMATION:

Regulations implementing the FMP are found at 50 CFR part 648. The objectives of the FMP are: (1) To restore adult stock abundance and age distribution; (2) to increase yield-per-recruit for each stock; (3) to evaluate plan research, development and enforcement costs; and (4) to minimize adverse environmental impacts on sea scallops. This amendment would address these objectives indirectly by implementing regulations in support of a sea scallop aquaculture project that may yield information applicable to improving conservation and management of this species.

Proposed Management Measures

Amendment 5 to the FMP was prepared by the New England Fishery Management Council (Council). A notice of availability for the proposed amendment was published in the Federal Register on August 29, 1996, (61 FR 45395). The amendment proposes to establish a 9 mi² (23.31 km²) area closure approximately 12 mi (22.22 km) southwest of the island of Martha's Vineyard, MA, for 18 months, during which time a scallop aquaculture project sponsored by NMFS under the Saltonstall-Kennedy grant program would take place. This area is hereafter called the Sea Scallop Experimental Area.

This action would allow some vessels participating in the project to receive exemptions from current fishing regulations. Eleven fishing vessels and two research vessels would participate in the project research and activity. Scientific research vessels conducting scientific research are exempt from fishing regulations implemented under the Magnuson Fishery Conservation and Management Act (Magnuson Act). However, fishing vessels engaged in project activities must receive written authorization in the form of an experimental fishing permit (EFP) from the Director, Northeast Regional, NMFS (Regional Director) to be exempted from any of the regulations. Activities that may be exempted include, but are not limited to: Fishing within the Sea Scallop Experimental Area, using fishing gear that does not conform to the regulations, or possessing scallops when not fishing under a days-at-sea (DAS) allocation. This requirement for an EFP differs from the Council's proposed amendment but is necessary to ensure consistency with and enforceability of the new regulations under § 600.745 regarding scientific research and exempted fishing activities.

This action would prohibit fishing with gillnet and mobile gear, i.e., trawls

and dredges, within the Sea Scallop Experimental Area. Other fixed gear such as lobster pot, longline, handgear, and any other gear determined by the Regional Director not likely to interfere with the research project, would be allowed in the area under a special registration program administered by the Regional Director. The purpose of the registration program is to inform vessel operators of the location of the research equipment and to provide a means to communicate potential conflicts between fishery and project activities. Fishers authorized to fish in the Sea Scallop Experimental Area with the allowed gear may also be required to remove periodically their gear or may be required to set fishing gear a certain minimum distance from research project activities. At least 2 weeks notice would be provided to vessel operators to relocate fishing gear. All vessels would be allowed to transit the area at any time, provided their fishing gear is properly stowed.

These restrictions on fishing are necessary because mobile gear could inadvertently destroy expensive grow-out or monitoring equipment. Although this closure would be temporary and would not create any permanent rights or interests at the experimental site, the success of the experiment is dependent on gear restrictions within the area, particularly for mobile and gillnet gear. The impacts of the closure are expected to be small, because the amount of fish landed commercially from this area is small compared to the total commercial landings in the region. Some current uses of the area by mobile gear operators, gillnet fishers, and scallopers would be affected by the 18-month closure period. The estimates of lost revenue due to loss of multispecies landings is approximately \$6,000. This would be offset by the benefits accrued by fishing vessels participating in the research project that would be compensated through the harvesting and sale of scallops at the conclusion of the project. New information on sea scallop enhancement, harvest gear and habitat interactions, open ocean cage engineering and growth rates of transferred juvenile brood stock in both cage culture and open bottom culture may provide the tools needed to expand the resource base for the future.

Vessels authorized to participate in project activities would be exempt from the requirement to fish under a DAS allocation if a trip is conducted exclusively within or transiting to and from the Sea Scallop Experimental Area, or during the portion of a fishing trip used to transport project specimens from the fishing grounds to the area.

Rather than attempting to monitor the portion of a fishing trip that a vessel should be exempt from DAS while transporting specimens, fishing vessels having DAS allocations that participate in the project activity would be credited with 2 DAS to account for this time. Time away from port that is used exclusively for project activities within the experimental area or transiting to and from the area would also be exempted from the DAS requirements.

Classification

Section 304(a)(1)(D)(ii) of the Magnuson Act requires that the regulations proposed by a Council be published within 15 days of the receipt of the amendment and regulations. At this time, NMFS has not determined that the amendment these rules would implement is consistent with the national standards, other provisions of the Magnuson Act, and other applicable law. NMFS, in making that determination, will take into account the information, views, and comments received during the comment period.

This proposed rule has been determined to be significant for the purposes of E.O. 12866. This action raises a novel legal or policy issue arising out of a legal mandate under the Magnuson Act, in that it may be viewed as setting a precedent for establishing future aquaculture efforts in the exclusive economic zone.

The Assistant General Counsel for Legislation and Regulation of the Department of Commerce certified to the Chief Counsel for Advocacy of the Small Business Administration regarding the proposed rule as follows:

I certify that this attached proposed rule issued under authority of section 304(a) of the Magnuson Fishery Conservation and Management Act will not have a significant economic impact on a substantial number of small entities. The proposed rule would establish a nine square mile site approximately twelve miles south of Martha's Vineyard as an experimental use area for 18 months. The area would be closed to fishing with mobile gear that might interfere with an experimental and demonstration project involving sea scallop research, enhancement and aquaculture to be conducted by scientific and technical experts in cooperation with fishermen.

The proposed action will not have any significant effects on a substantial number of small entities because: (1) The few groundfish, sea scallop or lobster vessels that may have fished in the area with mobile gear would be able to redirect their effort to areas adjacent to the experimental area so that ex-vessel revenues for these vessels should not change, (2) no vessels are expected to cease operations as a result of the closure, and (3) compliance costs are not expected to change for any vessels. The total average annual

revenues for groundfish in this area from 1985 through 1991 were \$6,000, the area is low in abundance of sea scallops, and limited pot fishing for lobsters will still be allowed in the area.

The proposed rule contains one new collection-of-information requirement subject to the Paperwork Reduction Act (PRA). A request to collect this information has been submitted to OMB for approval. The public's reporting burden for the collection-of-information requirements includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection-of-information requirements.

The new reporting requirement is: Sea Scallop Experimental Area authorization request, (0.5 hours/response).

Send comments regarding burden estimates, or any other aspect of the data collection, including suggestions for reducing the burden, to NMFS and OMB (see ADDRESSES).

Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to, a penalty for failure to comply with a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB Control Number.

An informal consultation under the Endangered Species Act was concluded for Amendment 5 to the FMP on August 2, 1996. As a result of the informal consultation, the Regional Director determined that fishing activities conducted under this rule are not likely to adversely affect endangered or threatened species or critical habitat.

List of Subjects in 50 CFR Part 648

Fisheries, Fishing, Reporting and recordkeeping requirements.

Dated: September 16, 1996.

Rolland A. Schmitt, Jr.,
Assistant Administrator for Fisheries,
National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 648 is proposed to be amended as follows:

PART 648—FISHERIES OF THE NORTHEASTERN UNITED STATES

1. The authority citation for part 648 continues to read as follows:

Authority: 16 U.S.C. 1801 *et seq.*

2. In § 648.14, paragraph (a)(89) is added to read as follows:

§ 648.14 Prohibitions.

(a) * * *

(89) Fish in or transit the Sea Scallop Experimental Area defined in

§ 648.56(a)(1), as described in § 648.56(a)(2) and (a)(3).

* * * * *

3. Section 648.56 is added to read as follows:

§ 648.56 Scallop research project.

(a)(1) *Sea scallop experimental area.* From [insert date 30 days after date of publication of the final rule for this action through date 18 months after such date], no fishing vessel or person on a fishing vessel may fish in or transit the area known as the Sea Scallop Experimental Area, as defined by straight lines connecting the following points in the order stated, except as described in paragraphs (a)(2) and (a)(3) of this section:

Point	Latitude	Longitude
1	41°11.8' N.	70°50' W.
2	41°11.8' N.	70°46' W.
3	41°08.8' N.	70°46' W.
4	41°08.8' N.	70°50' W.

(2) *Exemptions.* A fishing vessel and persons on a fishing vessel may fish in the Sea Scallop Experimental Area:

(i) With pot gear and traps, if such vessel has been issued an EFP under paragraph (a)(4)(i)(A) of this section;

(ii) With longline gear, if such vessel has been issued an EFP under paragraph (a)(4)(i)(A) of this section;

(iii) Fishing with handgear;

(iv) With gear determined by the Regional Director not likely to interfere with a scallop aquaculture research project sponsored by NMFS, if such vessel has been issued an EFP under paragraph (a)(4)(i)(A) of this section; or

(v) If such vessel has been issued an EFP under paragraph (a)(4)(i)(B) of this section to participate in the scallop aquaculture research project sponsored by NMFS.

(3) *Transiting.* Vessels that are not exempted from the prohibition of fishing in the Sea Scallop Experimental Area under paragraph (a)(2) of this section may transit such area provided that their gear is stowed in accordance with the provisions of § 648.81(e).

(4) *Experimental fishing permits.* (i) The Regional Director may issue an EFP under the provisions of § 648.12 to:

(A) Any vessel to fish within the Sea Scallop Experimental Area with the gear specified in paragraph (a)(2)(i), (a)(2)(ii), and (a)(2)(iv) of this section. Vessels receiving EFPs may be required to move their gear within, or remove their gear from, the area upon notification by the Regional Director and must comply with any additional restrictions specified in the EFP.

(B) Any vessel participating in the scallop aquaculture research project sponsored by NMFS to fish within the Sea Scallop Experimental Area, to use fishing gear that does not conform to the regulations, and to possess scallops when not fishing under a DAS allocation. The Regional Director may also restore up to 2 DAS, per year, to vessels collecting and transporting undersized scallops to the area. The Regional Director may exempt vessels from other regulatory provisions if the exemptions are necessary to project operations and consistent with paragraph (a)(4)(iii) of this section.

(ii) A vessel with an EFP authorizing it to participate in the scallop aquaculture research project sponsored by NMFS or to use exempted gear in the Sea Scallop Experimental Area must carry the EFP on board the vessel.

(iii) The Regional Director may not issue an EFP unless it is determined to be consistent with the objectives of the FMP, the provisions of the Magnuson Act, and other applicable law and that issuing the EFP will not:

(A) Have a detrimental effect on the sea scallop resource and fishery;

(B) Create significant enforcement problems; or

(C) Have a detrimental effect on the scallop project.

(5) *Application.* An application for an EFP for a vessel to fish within the Sea Scallop Experimental Area must be in writing to the Regional Director and be submitted at least 30 days before the desired effective date of the EFP. The application must include, but is not limited to, the following information:

(i) The date of application.

(ii) The applicant's name, current address, telephone number and fax number if applicable.

(iii) The current vessel name, owner address, and telephone number.

(iv) The vessel's Federal permit number.

(v) The Coast Guard documentation number.

(vi) The species (target and incidental) expected to be harvested.

(vii) The gear type, size, buoy colors, trap identification markings and amount of gear that will be used; and exact time(s) fishing will take place in the Sea Scallop Experimental Area.

(viii) The signature of the applicant.

[FR Doc. 96-24130 Filed 9-17-96; 1:00 pm]

BILLING CODE 3510-13-P

50 CFR Part 648 and 649

[I.D. 091196A]

Fisheries of the Northeastern United States; Amendment 8 to the Northeast Multispecies, Amendment 6 to the Atlantic Sea Scallop, and Amendment 6 to the American Lobster Fishery Management Plans

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of availability; request for comments.

SUMMARY: NMFS announces that the New England Fishery Management Council (Council) has submitted Amendment 8 to the Northeast Multispecies, Amendment 6 to the Atlantic Sea Scallop, and Amendment 6 to the American Lobster Fishery Management Plans (FMPs) for Secretarial review and is requesting comments from the public. These amendments would add a framework process to address gear conflicts in the Northeast and Mid-Atlantic regions through regulatory action. The proposed gear conflict framework process is intended to provide mechanisms to reduce the economic loss caused by gear conflicts.

DATES: Comments must be received on or before November 11, 1996.

ADDRESSES: Send comments to Dr. Andrew A. Rosenberg, Regional Director, NMFS, Northeast Regional Office, One Blackburn Drive, Gloucester, MA 01930-3799. Mark the outside of the envelope "Comments on Gear Conflict Amendments." Copies of the proposed amendments, their Regulatory Impact Review, Initial Regulatory Flexibility Analysis, and the Environmental Assessment are available from Christopher Kellogg, Acting Executive Director, New England Fishery Management Council, Suntaug Office Park, 5 Broadway, Saugus, MA 01906-1097.

FOR FURTHER INFORMATION CONTACT: Paul H. Jones, Fishery Policy Analyst, 508-281-9273.

SUPPLEMENTARY INFORMATION: The Magnuson Fishery Conservation and Management Act (Magnuson Act) (16 U.S.C. 1801 *et seq.*) requires that each regional fishery management council submit any fishery management plan or amendment it prepares to NMFS, on behalf of the Secretary of Commerce for review. The Magnuson Act also requires that NMFS, upon receiving the plan or amendment for review, immediately make a preliminary evaluation of

whether the amendment is sufficient to warrant continued review, and publish a document that the plan or amendment is available for public review and comment. NMFS will consider the public comments received during the comment period in determining whether to approve the plan or amendment.

These amendments, if approved, would: (1) Add an objective to the Atlantic Sea Scallop and Northeast Multispecies FMPs to allow management of gear conflicts in these fisheries (the American Lobster FMP

currently has an objective sufficiently broad in scope to allow management of gear conflicts), (2) adapt the framework process currently in place for the Northeast multispecies and Atlantic sea scallop conservation management programs to allow implementation of a gear conflict management program for all three FMPs, and (3) add a list of management measures to each FMP from which the Council could select future solutions to gear conflicts through the framework adjustment process.

Day 1 of these amendments is September 11, 1996. Proposed regulations to implement these amendments are scheduled to be published within 15 days of this date.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: September 16, 1996.

Gary C. Matlock,

*Director, Office of Sustainable Fisheries,
National Marine Fisheries Service.*

[FR Doc. 96-24082 Filed 9-16-96; 5:02 pm]

BILLING CODE 3510-22-F

Notices

Federal Register

Vol. 61, No. 184

Friday, September 20, 1996

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

[Docket No. 96-068-1]

International Sanitary and Phytosanitary Standard-Setting Activities

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Notice and solicitation of comments.

SUMMARY: In accordance with legislation implementing the Uruguay Round of the General Agreements on Tariffs and Trade, we are informing the public of international standard-setting activities of the Office International des Epizooties and the Secretariat of the International Plant Protection Convention, and we are soliciting public comment on the standards to be considered.

ADDRESSES: Please send an original and three copies of your comments to Docket No. 96-068-1, Regulatory Analysis and Development, PPD, APHIS, Suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737-1238. Please state in your letter that your comments refer to Docket No. 96-068-1, and state the name of the committee or working group to which your comments are addressed. Comments received may be inspected at USDA, room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect comments are requested to call ahead on (202) 690-2817 to facilitate entry into the comment reading room.

FOR FURTHER INFORMATION CONTACT: Mr. Douglas Barnett, Assistant Director, International Activities, International Services, APHIS, 4700 River Road Unit 67, Riverdale, MD 20737-1233, (301)

734-8892; or e-mail Dbarnett@aphis.usda.gov. The public may also contact Mr. John Greifer, Trade Support Team, International Services, APHIS, room 1128, South Building, 14th Street and Independence Avenue SW., Washington, DC 20250, (202) 720-7677; or e-mail jgreifer@aphis.usda.gov.

SUPPLEMENTARY INFORMATION:

Legislation implementing the Uruguay Round of the General Agreements on Tariffs and Trade (the Uruguay Round Agreements Act) was signed into law (Pub. L. 103-465) by the President on December 8, 1994. The Uruguay Round Agreements Act amended title IV of the Trade Agreements Act of 1979 (19 U.S.C. 2531 *et seq.*) by adding a new subtitle F, "International Standard-Setting Activities." Subtitle F requires the President to designate an agency to be responsible for informing the public of the sanitary and phytosanitary standard-setting activities of each international standard-setting organization. The designated agency must inform the public by publishing a notice in the Federal Register, which provides the following information: (1) The sanitary or phytosanitary standards under consideration or planned for consideration by the international standard-setting organization; and (2) for each sanitary or phytosanitary standard specified, a description of the consideration or planned consideration of the standard; whether the United States is participating or plans to participate in the consideration of the standard; the agenda for United States participation, if any; and the agency responsible for representing the United States with respect to the standard.

Subtitle F defines "international standard" as a standard, guideline, or recommendation: (1) Adopted by the Codex Alimentarius Commission regarding food safety; (2) developed under the auspices of the International Office of Epizootics regarding animal health and zoonoses; (3) developed under the auspices of the Secretariat of the International Plant Protection Convention in cooperation with the North American Plant Protection Organization regarding plant health; or (4) established by or developed under any other international organization agreed to by the member countries of the North American Free Trade Agreement or by member countries of the World Trade Organization.

The Codex Alimentarius Commission (Codex) was created in 1962 by two United Nations organizations, the Food and Agriculture Organization (FAO) and the World Health Organization. It is the major international organization for encouraging international trade in food and protecting the health and economic interests of consumers.

The Office International des Epizooties (OIE) was created in Paris, France, in 1924, with the signing of an international agreement by 28 countries. Today, 143 countries are members. The OIE facilitates intergovernmental cooperation to prevent the spread of contagious diseases in animals, assists in the development of animal production through improved health information, and shares scientific progress among its members. The OIE provides the major international forum for discussion and agreement on recommendations and proposals on topics such as disease control, technical cooperation, trade standards, and the exchange of research and disease information.

The International Plant Protection Convention (IPPC) was established within the FAO in 1952 in response to demands from members for development of global standards for plant quarantine. The IPPC works with plant protection organizations at national and regional levels, including the North American Plant Protection Organization (NAPPO), to harmonize plant quarantine activities worldwide, facilitate the dissemination of phytosanitary information, strengthen international cooperation, and support technical assistance to developing countries.

The World Trade Organization (WTO) was established on January 1, 1995, as the common international institution for the conduct of trade relations among the members in matters related to the Uruguay Round Agreements. The WTO is the successor organization for the General Agreements on Tariffs and Trade. U.S. membership in the WTO was approved by Congress when it enacted the Uruguay Round Agreements Act.

The President, pursuant to Proclamation No. 6780 of March 23, 1995 (60 FR 15845), designated the Secretary of Agriculture as the official responsible for informing the public of the sanitary and phytosanitary standard-

setting activities of each international standard-setting organization. This responsibility has been delegated to the Food Safety and Inspection Service (FSIS) of the United States Department of Agriculture (USDA) for Codex activities, and to the USDA's Animal and Plant Health Inspection Service (APHIS) for OIE and IPPC activities. FSIS published a notice in the Federal Register on June 4, 1996 (61 FR 28132), informing the public of sanitary and phytosanitary standard-setting activities for Codex.

Accordingly, in this notice, APHIS announces the following OIE and IPPC (including NAPPO) activities related to international standards. The United States is a participant in each of the following activities and APHIS is the agency responsible for representing the United States with respect to these standards. In some cases, working groups and committees have not yet set meeting dates and places or determined specific standards to be discussed. Also, because working groups and the issues they address are not static, this list may not present a complete picture of the OIE and IPPC sanitary and phytosanitary standard-setting activities during the coming year.

1. Committee/Working Group: Standards Commission of the OIE.

Agency Participant: Dr. James Pearson.

General Purpose: Establish standards for methods of diagnosing animal disease and testing biologics used for control programs.

Dates of Meetings: September 10–11, 1996.

Location of Meetings: Paris, France.

Major Discussion/Agenda: Review of OIE reference laboratories; diagnostic test standardization; OIE reference sera; laboratory quality assurance; review of new edition of OIE *Manual of Standards of Diagnostic Tests and Vaccines*; and provide advice to OIE Animal Health Code Commission.

2. Committee/Working Group: OIE General Session.

Agency Participant(s): Dr. Joan Arnoldi (delegate); Dr. Alex Thiermann (alternate delegate and coordinator).

General Purpose: Establish and adopt international standards dealing with animal health.

Date of Meeting: May 1997.

Location of Meeting: Paris, France.

Major Discussion/Agenda: Animal health standards as they relate to trade; including risk assessment standards (including criteria for evaluating veterinary infrastructure) and regionalization.

3. Committee/Working Group: IPPC/ Foreign Agricultural Organization Working Group on Pest Risk Analysis.
Agency Participant: Mr. Richard Orr.
General Purpose: Development of international standards for pest risk analysis.

Date of Meeting: To be announced.

Location of Meeting: To be announced.

Major Discussion/Agenda: To be announced.

4. Committee/Working Group: NAPPO Biological Control Committee.

Agency Participant: Dr. Dale Meyerdirk.

General Purpose: Facilitate cooperation among NAPPO member countries regarding biological control issues, through information exchange, coordination, and harmonization of recommendations, regulations, and guidelines.

Date of Meeting: February 1997.

Location of Meeting: Mexico City, Mexico.

Major Discussion/Agenda: To develop standard guidelines for the release of exotic biological control agents for the control of weed pests.

5. Committee/Working Group: NAPPO Fruit Tree and Grapevine Nursery Stock Certification Standards Panel.

Agency Participant: Dr. Joseph Foster.

General Purpose: Set minimum standards for pathogen testing and propagation of fruit trees and grapevines so certified nursery stock can be shipped safely throughout North America.

Date of Meeting: To be announced.

Location of Meeting: Victoria, British Columbia, Canada.

Major Discussion/Agenda: Pathogen lists for each crop; and certification schemes for each crop.

6. Committee/Working Group: NAPPO Working Group.

Agency Participant: Mr. Marshall Kirby.

General Purpose: Provide general leadership, direction, and support to NAPPO activities.

Dates of Meetings: October 1996; January and April 1997.

Locations of Meetings: To be announced.

Major Discussion/Agenda: All new and ongoing NAPPO business, including standards.

7. Committee/Working Group: NAPPO Ad Hoc Irradiation Panel.

Agency Participant: Mr. Robert Griffin.

General Purpose: Develop NAPPO standards for the application of irradiation to phytosanitary problems.

Date of Meeting: October 1996.

Location of Meeting: Veracruz, Mexico.

Major Discussion/Agenda: Continuing development of trilateral policy.

8. Committee/Working Group: NAPPO Pest Risk Analysis Panel.

Agency Participant: Dr. Matthew Royer.

General Purpose: To implement NAPPO pest risk analysis standard.

Date of Meeting: October 1996.

Location of Meeting: Veracruz, Mexico.

Major Discussion/Agenda: To be announced.

9. Committee/Working Group: NAPPO Executive Committee.

Agency Participant: Mr. Alfred Elder.

General Purpose: To harmonize plant quarantine regulations and import requirements among Canada, Mexico, and the United States.

Dates of Meetings: October 1996 and April 1997.

Locations of Meetings: To be announced.

Major Discussion/Agenda: Standards development process; area freedom standard; pest surveillance/monitoring standard; and pest risk analysis standard.

Comments on standards being considered or to be considered by any of the committees or working groups listed above may be sent to us as directed under the heading **ADDRESSES**.

Done in Washington, DC, this 16th day of September 1996.

Terry L. Medley,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 96–24211 Filed 9–19–96; 8:45 am]

BILLING CODE 3410–34–P

Forest Service

Paradise Project, Boise National Forest, Idaho

AGENCY: Forest Services, USDA.

ACTION: Notice of Intent to Prepare Environmental Impact Statement.

SUMMARY: The Mountain Home Ranger District of the Boise National Forest will prepare an environmental impact statement (EIS) for an integrated resource management project in the Paradise project area, located immediately west of the South Fork Boise River and approximately 2 miles south of Featherville, Idaho. Access is via Forest Development Road (FDR) 183. The project area encompasses approximately 2,800 acres of National Forest System land and is located 60 road miles northeast of Mountain Home and about 100 road miles east of Boise, Idaho.

The agency invites written comments and suggestions on the scope of the

analysis. The agency also hereby gives notice of the environmental analysis and decisionmaking process that will occur on the proposal so that interested and affected people are aware of how they may participate and contribute to the final decision.

Proposed Action: The proposed action would commercial thin, salvage harvest, and use prescribed fire throughout most of the project area. Helicopter, skyline, and tractor/off-road jammer (excavator) yarding would be done. Approximately 4 miles of road would be constructed and 1 mile of existing road would be reconstructed. New and existing helicopter landings would be used. Bald eagle habitat would be protected and enhanced with buffer zones and thinning. The activities would occur from 1997 to 1998.

Preliminary Issues: One significant issue with the proposed action has been identified so far. The issue is that timber harvest and associated road construction could impact the undeveloped characteristics and wilderness attributes of the Rainbow Inventoried Roadless Area (IRA).

Possible Alternatives to the Proposed Action: One alternative to the proposed action has been identified. It is the no action alternative. Other alternatives may be developed as issues are raised and information is received.

Decisions to be Made: The Boise National Forest Supervisor will decide whether to implement the project. If the project is to be implemented, the Forest Supervisor will decide which activities to include in the project, when the project should occur, and what mitigation and monitoring is needed to ensure the project is environmentally acceptable.

Schedule: Draft Environmental Impact Statement (DEIS), November 1996. Final, January 1997.

Public Involvement: Scoping was initiated in October 1995. A legal notice appeared in the Idaho Statesman on October 2, 1995. A scoping letter was sent out to over 80 individuals, groups, organizations, and agencies. Comments receive from these public involvement efforts will be incorporated into the analysis process.

Comments: Written comments concerning the proposed project and analysis are encouraged and should be postmarked within 30 days following publication of this announcement in the Federal Register. Mail comments to Frank Marsh, Mountain Home Ranger District, 2180 American Legion Boulevard, Mountain Home, ID 83647; telephone 208-587-7961 or 208-364-4310. Further information can be obtained at the same location.

The comment period on the DEIS will be 45 days from the date the Environmental Protection Agency publishes the notice of availability in the Federal Register.

The Forest Service believes, at this early stage, it is important to give reviewers notice of several court rulings related to public participation in the environmental review process. First, reviewers of DEIS's must structure their participation in the environmental review of the proposal so that it is meaningful and alerts an agency to the reviewer's position and contentions. *Vermont Yankee Nuclear Power Corp. v. NRDC*, 435 U.S. 519, 553 (1978). Also, environmental objections that could be raised at the DEIS stage but are not raised until after completion of the final environmental impact statement, may be waived or dismissed by the courts. *City of Angoon v. Hodel*, 803 F.2d 1016, 1002 (9th Cir., 1986) and *Wisconsin Heritages, Inc. v. Harris*, 490 F. Supp. 1334, 1338 (E.D. Wis. 1980). Because of these court rulings, it is very important that those interested in this proposed action participate by the close of the 45-day comment period so that substantive comments and objections are made available to the Forest Service at a time when it can meaningfully consider them and respond to them in the final environmental impact statement.

To assist the Forest Service in identifying and considering issues and concerns on the proposed action, comments on the DEIS should be as specific as possible. It is also helpful if comments refer to specific pages or chapters of the draft statement. Comments may also address the adequacy of the DEIS or the merits of the alternatives formulated and discussed in the statement. Reviewers may wish to refer to the Council on Environmental Quality Regulations for implementing the procedural provisions of the National Environmental Policy Act at 40 CFR 1503.3 in addressing these points.

Responsible Official: David D. Rittenhouse, Forest Supervisor, Boise National Forest, 1750 Front Street, Boise, ID 83702.

Dated: September 16, 1996.
Cathy Barbouletos,
Deputy Forest Supervisor.
[FR Doc. 96-24142 Filed 9-19-96; 8:45 am]

BILLING CODE 3410-11-M

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

Procurement List Additions

AGENCY: Committee for Purchase From People Who Are Blind or Severely Disabled.

ACTION: Additions to the Procurement List.

SUMMARY: This action adds to the Procurement List services to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities.

EFFECTIVE DATE: October 21, 1996.

ADDRESSES: Committee for Purchase From People Who Are Blind or Severely Disabled, Crystal Square 3, Suite 403, 1735 Jefferson Davis Highway, Arlington, Virginia 22202-3461.

FOR FURTHER INFORMATION CONTACT: Beverly Milkman (703) 603-7740.

SUPPLEMENTARY INFORMATION: On July 26, 1996, the Committee for Purchase From People Who Are Blind or Severely Disabled published notice (61 F.R. 39118) of proposed additions to the Procurement List. After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the services and impact of the additions on the current or most recent contractors, the Committee has determined that the services listed below are suitable for procurement by the Federal Government under 41 U.S.C. 46-48c and 41 CFR 51-2.4.

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the services to the Government.
2. The action will not have a severe economic impact on current contractors for the services.
3. The action will result in authorizing small entities to furnish the services to the Government.
4. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46-48c) in connection with the services proposed for addition to the Procurement List.

Accordingly, the following services are hereby added to the Procurement List:

Administrative Services, Defense
 Reutilization and Marketing Office,
 Sheppard Building, Sheppard Air Force
 Base, Texas
 Grounds Maintenance, Marine Corps Air
 Station, New River, Jacksonville, North
 Carolina
 Janitorial/Grounds Maintenance, U.S. Mint,
 San Francisco, California

This action does not affect current
 contracts awarded prior to the effective
 date of this addition or options that may
 be exercised under those contracts.

Beverly L. Milkman,
Executive Director.

[FR Doc. 96-24192 Filed 9-19-96; 8:45 am]

BILLING CODE 6353-01-M

Procurement List Proposed Additions

AGENCY: Committee for Purchase From
 People Who Are Blind or Severely
 Disabled.

ACTION: Proposed Additions to
 Procurement List.

SUMMARY: The Committee has received
 proposals to add to the Procurement List
 commodities and services to be
 furnished by nonprofit agencies
 employing persons who are blind or
 have other severe disabilities.

**COMMENTS MUST BE RECEIVED ON OR
 BEFORE:** October 21, 1996.

ADDRESSES: Committee for Purchase
 From People Who Are Blind or Severely
 Disabled, Crystal Square 3, Suite 403,
 1735 Jefferson Davis Highway,
 Arlington, Virginia 22202-3461.

FOR FURTHER INFORMATION CONTACT:
 Beverly Milkman (703) 603-7740.

SUPPLEMENTARY INFORMATION: This
 notice is published pursuant to 41
 U.S.C. 47(a)(2) and 41 CFR 51-2.3. Its
 purpose is to provide interested persons
 an opportunity to submit comments on
 the possible impact of the proposed
 actions.

If the Committee approves the
 proposed additions, all entities of the
 Federal Government (except as
 otherwise indicated) will be required to
 procure the commodities and services
 listed below from nonprofit agencies
 employing persons who are blind or
 have other severe disabilities.

I certify that the following action will
 not have a significant impact on a
 substantial number of small entities.
 The major factors considered for this
 certification were:

1. The action will not result in any
 additional reporting, recordkeeping or
 other compliance requirements for small
 entities other than the small
 organizations that will furnish the
 commodities and services to the
 Government.

2. The action does not appear to have
 a severe economic impact on current
 contractors for the commodities and
 services.

3. The action will result in
 authorizing small entities to furnish the
 commodities and services to the
 Government.

4. There are no known regulatory
 alternatives which would accomplish
 the objectives of the Javits-Wagner-
 O'Day Act (41 U.S.C. 46-48c) in
 connection with the commodities and
 services proposed for addition to the
 Procurement List.

Comments on this certification are
 invited. Commenters should identify the
 statement(s) underlying the certification
 on which they are providing additional
 information.

The following commodities and
 services have been proposed for
 addition to Procurement List for
 production by the nonprofit agencies
 listed:

Commodities

Dustpan

7290-00-224-8308

NPA: Tuscola County Community Mental
 Health Services, Caro, Michigan
 Pallet Base and Cover Assembly

8140-01-341-0916

8140-01-160-0231

8140-00-084-0377

8140-01-339-4789

8140-01-160-0230

8140-01-090-5793

8140-01-273-6043

8140-01-291-2524

NPA: Knox County Association For Retarded
 Citizens, Inc., Vincennes, Indiana

Services

Grounds Maintenance at the following

Washington, DC locations:

USDA Administration Building, 14th and
 Jefferson Drive, SW

USDA South Building and Auditors
 Building, 14th and Independence
 Avenue, SW

USDA Annex Building, 12th and C Streets,
 SW

NPA: Melwood Horticultural Training
 Center, Upper Marlboro, Maryland
 Janitorial/Custodial, Fleet and Industrial
 Supply Center, Pearl Harbor, Hawaii

NPA: Goodwill Industries of Honolulu, Inc.,
 Honolulu, Hawaii

Janitorial/Custodial, Physical Fitness Centers
 in Buildings 9301, 12018, 23001, 24006,
 31006, 37017, 39008, 87019 and 91073,
 Fort Hood, Texas

NPA: World Technical Services, Inc., San
 Antonio, Texas

Laundry Service, Naval Station Everett,
 Bachelor Enlisted Quarters (BEQ),
 Everett, Washington

NPA: Northwest Center for the Retarded,
 Seattle, Washington

Operation of SERVIMART Stores, Fleet and
 Industrial Supply Center, Jacksonville,
 Florida

NPA: Lions Club Industries, Inc., Durham,
 North Carolina

Beverly L. Milkman,
Executive Director.

[FR Doc. 96-24193 Filed 9-19-96; 8:45 am]

BILLING CODE 6353-01-M

Procurement List Proposed Addition

AGENCY: Committee for Purchase From
 People Who Are Blind or Severely
 Disabled.

ACTION: Proposed Addition to
 Procurement List.

SUMMARY: The Committee has received a
 proposal to add to the Procurement List
 a service to be furnished by nonprofit
 agencies employing persons who are
 blind or have other severe disabilities.

**COMMENTS MUST BE RECEIVED ON OR
 BEFORE:** October 21, 1996.

ADDRESSES: Committee for Purchase
 From People Who Are Blind or Severely
 Disabled, Crystal Square 3, Suite 403,
 1735 Jefferson Davis Highway,
 Arlington, Virginia 22202-3461.

FOR FURTHER INFORMATION CONTACT:
 Beverly Milkman (703) 603-7740.

SUPPLEMENTARY INFORMATION: This
 notice is published pursuant to 41
 U.S.C. 47(a)(2) and 41 CFR 51-2.3. Its
 purpose is to provide interested persons
 an opportunity to submit comments on
 the possible impact of the proposed
 action.

If the Committee approves the
 proposed addition, all entities of the
 Federal Government (except as
 otherwise indicated) will be required to
 procure the service listed below from
 nonprofit agencies employing persons
 who are blind or have other severe
 disabilities.

I certify that the following action will
 not have a significant impact on a
 substantial number of small entities.
 The major factors considered for this
 certification were:

1. The action will not result in any
 additional reporting, recordkeeping or
 other compliance requirements for small
 entities other than the small
 organizations that will furnish the
 service to the Government.

2. The action will result in
 authorizing small entities to furnish the
 service to the Government.

3. There are no known regulatory
 alternatives which would accomplish
 the objectives of the Javits-Wagner-
 O'Day Act (41 U.S.C. 46-48c) in
 connection with the service proposed
 for addition to the Procurement List.

Comments on this certification are
 invited. Commenters should identify the
 statement(s) underlying the certification

on which they are providing additional information.

The following service has been proposed for addition to Procurement List for production by the nonprofit agency listed:

Food Service Attendant, Fort Richardson, Alaska

NPA: Alaska Specialized Education and Training Services, Anchorage, Alaska
Beverly L. Milkman,

Executive Director.

[FR Doc. 96-24194 Filed 9-19-96; 8:45 am]

BILLING CODE 6353-01-M

DEPARTMENT OF COMMERCE

International Trade Administration

[A-429-601]

Solid Urea From the German Democratic Republic: Termination of Changed Circumstances Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of termination of changed circumstances review of solid urea from the German Democratic Republic.

SUMMARY: On May 30, 1996, the Department of Commerce ("the Department") initiated a changed circumstances review of the antidumping duty order on solid urea from the former German Democratic Republic (GDR). The purpose of the review was to calculate a new cash deposit rate using a market-economy analysis for any shipments of solid urea from the five German states (Brandenburg, Mecklenburg-Vorpommern, Saxony, Saxony-Anhalt, and Thuringia (plus any other territory included in the former GDR)) that formerly constituted the GDR (hereinafter "the Five States") occurring after May 1, 1995 and before May 31, 1996. On August 15, 1996, the Department initiated, based upon receipt of a timely request from the Ad Hoc Committee of Domestic Nitrogen Producers (hereinafter "the petitioners"), an administrative review covering shipments by SKW Stickstoffwerke Piesteritz GmbH (hereinafter "SKW Piesteritz") from the Five States for the period July 1, 1995 to June 30, 1996. Because the time periods covered by the changed circumstances review and the administrative review substantially overlap, and because the Department would conduct essentially the same analysis in both reviews, the

Department is now terminating the changed circumstances review.

EFFECTIVE DATE: September 20, 1996.

FOR FURTHER INFORMATION CONTACT: Donna L. Kinsella, Office of the Deputy Assistant Secretary, Enforcement Group III, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230, telephone (202) 482-4093 or telefax (202) 273-0957.

SUPPLEMENTARY INFORMATION:

Background

On May 30, 1996, the Department published in the Federal Register (61 FR 27049) the initiation of a changed circumstances review in which the Department stated that it would calculate a new cash deposit rate using a market-economy analysis for any shipments of solid urea from the Five States occurring after May 1, 1995 and before May 31, 1996. On August 15, 1996, the Department initiated, in accordance with 19 CFR 353.22(c), an administrative review covering shipments of solid urea by SKW Piesteritz from the Five States for the period July 1, 1995 to June 30, 1996 (61 FR 42416). This initiation was based upon a timely request for review submitted by petitioners in accordance with 19 CFR 353.22(a). Because the time periods covered by the changed circumstances review and the administrative review substantially overlap, and because the Department would conduct essentially the same analysis in both reviews, the Department is now terminating the changed circumstances review. This notice does not affect the pending changed circumstances review of the antidumping duty order covering solid urea from the former GDR initiated on February 12, 1992 (57 FR 5130).

This notice is published pursuant to § 353.22(f) of the Department's regulations (19 CFR 353.22(f) (1995)).

Dated: September 11, 1996.

Joseph A. Spetrini,
Deputy Assistant Secretary, Enforcement Group III.

[FR Doc. 96-24184 Filed 9-19-96; 8:45 am]

BILLING CODE 3510-DS-M

[C-549-501]

Certain Circular Welded Carbon Steel Pipes and Tubes From Thailand; Final Results of Countervailing Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of final results of countervailing duty administrative Review.

SUMMARY: The countervailing duty order on certain circular welded carbon steel pipes and tubes from Thailand was revoked effective January 1, 1995, pursuant to section 753 of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act (the Act) (60 FR 40568). The Department of Commerce (the Department) has conducted an administrative review of this order to determine the appropriate assessment rate for entries made during the last review period prior to the revocation of the order (January 1, 1994, through December 31, 1994). On May 20, 1995, the Department published in the Federal Register its preliminary results of review (61 FR 25205). The Department has now completed this administrative review in accordance with section 751(a) of the Tariff Act of 1930, as amended. For information on the net subsidy for each reviewed company, and for all non-reviewed companies, please see the *Final Results of Review* section of this notice. We will instruct the U.S. Customs Service to assess countervailing duties as detailed in the *Final Results of Review* section of this notice.

EFFECTIVE DATE: September 20, 1996.

FOR FURTHER INFORMATION CONTACT: Brian Albright or Kelly Parkhill, Office of CVD/AD Enforcement, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-2786.

SUPPLEMENTARY INFORMATION:

Background

Pursuant to section 355.22(a) of the Department's *Interim Regulations*, this review covers only those producers or exporters of the subject merchandise for which a review was specifically requested. See *Antidumping and Countervailing Duties: Interim regulations; request for comments*, 60 FR 25130, 25139 (May 11, 1995) ("*Interim Regulations*"). Accordingly, this review covers Saha Thai Steel Pipe Co., Ltd. (Saha Thai) and SAF Pipe Export Co., Ltd. (SAF). This review also covers the period January 1, 1994 through December 31, 1994, and nine programs.

We published the preliminary results on May 20, 1995 (61 FR 25205). We invited interested parties to comment on the preliminary results. We received no comments from any of the parties.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions of the Tariff Act of 1930, as amended by the Uruguay Round Agreements Act ("URAA") effective January 1, 1995 ("the Act").

Affiliated Parties/Trading Companies

In accordance with section 355.22 of the Department's Interim Regulations, this review covers only those producers or exporters of the subject merchandise for which a review was specifically requested. A review was requested for Saha Thai. However, Saha Thai is affiliated with SAF, an export trading company that began operations in 1993. All pipe exported by SAF is produced by Saha Thai. Because these two companies are affiliated, we are treating them as one corporate entity for purposes of our calculations.

Scope of the Review

On March 29, 1994, the Department clarified the Harmonized Tariff Schedule (HTS) numbers that were applicable to the subject merchandise (see *Memorandum to Susan Esserman from Susan Kuhbach*, available in the Central Records Unit, Room B099, Main Commerce Building). This clarification was necessary because of annual changes in the HTS. The scope now reads:

Imports covered in this review are shipments of circular welded carbon steel pipes and tubes (pipes and tubes) with an outside diameter of 0.375 inches or more but not over 16 inches, of any wall thickness. These products, commonly referred to in the industry as standard pipe or structural tubing, are produced to various ASTM specifications, most notably A-120, A-53 and A-135. During the review period, this merchandise was classified under item numbers 7306.30.10 and 7306.30.50 of the HTS. The HTS numbers are provided for convenience and Customs purposes. The written description remains dispositive.

Analysis of Programs

Programs Preliminarily Determined To Be Not Used

In our preliminary results, we determined that Saha Thai/SAF did not apply for or receive benefits under the following programs during the review period:

- A. Export Packing Credit;
- B. Tax Certificates for Exporters;
- C. Electricity Discounts for Exporters;
- D. Tax and Duty Exemptions Under Section 28 of the Investment Promotion Act;
- E. Repurchase of Industrial Bills;

- F. Export Processing Zones;
- G. International Trade Promotion Fund/Export Promotion Fund;
- H. Reduced Business Taxes for Producers of Intermediate Goods for Export Industries;
- I. Additional Incentives under the IPA.

We received no comments. Therefore, our findings remain unchanged.

Final Results of Review

In accordance with section 355.22(c)(4)(ii) of the Department's *Interim Regulations*, we calculated an individual subsidy rate for each producer/exporter subject to this administrative review. For the period January 1, 1994 through December 31, 1994, we determine the net subsidy for Saha Thai/SAF to be zero.

Net subsidies—producer/exporter	Net subsidy rate (percent)
Saha Thai/SAF	0.00

As provided for in the Act, any rate less than 0.5 percent *ad valorem* in an administrative review is *de minimis*. Accordingly, the Department intends to instruct Customs to liquidate, without regard to countervailing duties, shipments of the subject merchandise from Saha Thai/SAF exported on or after January 1, 1994, and on or before December 31, 1994.

The URAA replaced the general rule in favor of a country-wide rate with a general rule in favor of individual rates for investigated and reviewed companies. The procedures for countervailing duty cases are now essentially the same as those in antidumping cases, except as provided for in section 777(e)(2)(B) of the Act. Requests for administrative reviews must now specify the companies to be reviewed. See 19 CFR § 355.22(a). The requested review will normally cover only those companies specifically named. Pursuant to 19 CFR § 355.22(g), for all companies for which a review was not requested, duties must be assessed at the cash deposit rate previously ordered. Accordingly, for the period January 1 through December 31, 1994, the assessment rates applicable to all non-reviewed companies covered by this order are the cash deposit rates in effect at the time of entry.

This countervailing duty order was subject to section 753 of the Act. See, *Countervailing Duty Order; Opportunity to Request a Section 753 Injury Investigation*, 60 FR 27,963 (May 26, 1995). Because no domestic interested parties exercised their right under section 753(a) of the Act to request an injury investigation, the International

Trade Commission made a negative injury determination with respect to this order, pursuant to section 753(b)(4) of the Act. As a result, the Department revoked this countervailing duty order, effective January 1, 1995, pursuant to section 753(b)(3)(B) of the Act.

Revocation of Countervailing Duty Orders, 60 FR 40,568 (August 9, 1995). Accordingly, the Department will not issue further instructions with respect to cash deposits of estimated countervailing duties.

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 C.F.R. § 355.34(d). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)).

Dated: September 12, 1996.

Robert S. LaRussa,

Acting Assistant Secretary for Import Administration.

[FR Doc. 96-24185 Filed 9-19-96; 8:45 am]

BILLING CODE 3510-DS-P

National Institute of Standards and Technology

Malcolm Baldrige National Quality Award's Judges Panel; Notice of Meeting

AGENCY: National Institute of Standards and Technology, Department of Commerce.

ACTION: Notice of closed meeting.

SUMMARY: Pursuant to the Federal Advisory Committee Act, 5 U.S.C. app. 2, notice is hereby given that the Judges Panel of the Malcolm Baldrige National Quality Award will meet on Tuesday, October 8, 1996, from 8:00 a.m. to 5:30 p.m., on Wednesday, October 9, 1996, from 8:00 a.m. to 5:30 p.m.; on Thursday, October 10, 1996, from 8:00 a.m. to 5:30 p.m., and on Friday, October 11, 1996, from 8:00 a.m. to 3:00 p.m. The Judges Panel is composed of nine members prominent in the field of quality management and appointed by the Secretary of Commerce. The Panel's agenda includes reviewing the 1996 award process and final judging of 1996 applicants, including a review of each of the 1996 site visits. The review process involves

examination of records and discussions of applicant data, and will be closed to the public in accordance with Section 552b(c)(4) of Title 5, United States Code.

DATES: The meeting will convene October 8, 1996, at 8:00 a.m. and adjourn at 3:00 p.m. on October 11, 1996.

ADDRESSES: The meeting will be held at the National Institute of Standards and Technology, Administration Building Conference Room, Gaithersburg, Maryland 20899.

FOR FURTHER INFORMATION CONTACT: Dr. Harry Hertz, Director for Quality Programs, National Institute of Standards and Technology, Gaithersburg, Maryland 20899, telephone number (301) 975-2361.

SUPPLEMENTARY INFORMATION: The Assistant Secretary for Administration, with the concurrence of the General Counsel, formally determined on March 29, 1996, that the meeting of the Judges Panel will be closed pursuant to Section 10(d) of the Federal Advisory Committee Act, 5 U.S.C. app. 2, section 10(d) for those portions of the meeting which involve examination of records and discussions of matters mentioned above, may be closed to the public in accordance with section 552b(c)(4) of Title 5, United States Code, since those portions of the meeting are likely to disclose trade secrets and commercial or financial information obtained from a person which is privileged or confidential.

Dated: September 16, 1996.

Samuel Kramer,

Associate Director.

[FR Doc. 96-24158 Filed 9-19-96; 8:45 am]

BILLING CODE 3510-13-M

Malcolm Baldrige National Quality Award's Board of Overseers; Notice of Meeting

AGENCY: National Institute of Standards and Technology, DOC.

ACTION: Notice of public meeting.

SUMMARY: Pursuant to the Federal Advisory Committee Act, 5 U.S.C. app. 2, notice is hereby given that there will be a meeting of the Board of Overseers of the Malcolm Baldrige National Quality Award on Monday, November 8, 1996, from 8:30 a.m. to 3:30 p.m. The Board of Overseers consists of eleven members prominent in the field of quality management and appointed by the Secretary of Commerce, assembled to advise the Secretary of Commerce on the conduct of the Baldrige Award. The purpose of the meeting on November 8, 1996, will be for the Board of Overseers

to receive and then discuss reports from the National Institute of Standards and Technology with the chairman of the Judges Panel of the Malcolm Baldrige National Quality Award. These reports will cover the following topics: overview of the 1996 award cycle; report by the task force on the 10th anniversary of the program; report of task force on public relations; discussions of plans for the 1997 award, develop recommendations and report same to the Director of the National Institute of Standards and Technology.

DATES: The meeting will convene November 8, 1996 at 8:30 a.m., and adjourn at 3:30 p.m. on November 8, 1996.

ADDRESSES: The meeting will be held at the National Institute of Standards and Technology, Administration Building Conference Room (seating capacity 36, includes 24 participants), Gaithersburg, Maryland 20899.

FOR FURTHER INFORMATION CONTACT: Dr. Harry Hertz, Director for Quality Programs, National Institute of Standards and Technology, Gaithersburg, Maryland 20899, telephone number (301) 975-2361.

Dated: September 16, 1996.

Samuel Kramer,

Associate Director.

[FR Doc. 96-24159 Filed 9-19-96; 8:45 am]

BILLING CODE 3510-13-M

National Oceanic and Atmospheric Administration

[I.D. 091296C]

Gulf of Mexico Fishery Management Council; Public Meeting

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of public meeting.

SUMMARY: The Gulf of Mexico Fishery Management Council (Council) will convene a public meeting of the Reef Fish Stock Assessment Panel.

DATES: This meeting will begin at 1:30 p.m. on October 15, and will conclude at 5:00 p.m. on October 17, 1996.

ADDRESSES: The meeting will be held at the NMFS Southeast Fisheries Science Center, 75 Virginia Beach Drive, Miami, FL.

Council address: Gulf of Mexico Fishery Management Council, 5401 West Kennedy Boulevard, Suite 331, Tampa, FL 33609.

FOR FURTHER INFORMATION CONTACT: Steve Atran, Population Dynamics Statistician; telephone: 813-228-2815.

SUPPLEMENTARY INFORMATION: The Reef Fish Stock Assessment Panel will review a new stock assessment for vermilion snapper, an update to the 1995 stock assessment for red snapper, and available biological information and landings data for amberjack species. For red snapper, the panel will recommend a range of allowable biological catch (ABC) which is consistent with a rebuilding schedule for this stock. For the other species, the panel may recommend an ABC range if there is sufficient biological information available to determine an ABC range for achieving optimum yield, or they may identify future research needs.

Under the Reef Fish Fishery Management Plan's framework procedure for setting total allowable catch (TAC), the Council may implement through a regulatory amendment, for species where an ABC range has been specified, a TAC which is allocated between the recreational and commercial sectors, and quotas, bag limits, size limits, and other measures needed to attain TAC. If an ABC range and TAC is not specified, the Council must use the more lengthy plan amendment process to implement any changes to management measures.

Special Accommodations

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Anne Alford at (see ADDRESSES) by October 8, 1996.

Dated: September 13, 1996.

Gary C. Matlock,

Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 96-24078 Filed 9-19-96; 8:45 am]

BILLING CODE 3510-22-F

Monterey Bay National Marine Sanctuary Advisory Council Meeting

AGENCY: Sanctuaries and Reserves Division (SRD), Office of Ocean and Coastal Resource Management (OCRM), National Ocean Service (NOS), National Oceanic and Atmospheric Administration (NOAA), Department of Commerce.

ACTION: Monterey Bay National Marine Sanctuary Advisory Council open meeting.

SUMMARY: The Advisory Council was established in December 1993 to advise NOAA's Sanctuaries and Reserves Division regarding the management of the Monterey Bay National Marine Sanctuary. The Advisory Council was

convened under the National Marine Sanctuaries Act.

TIME AND PLACE: Friday, September 27, 1996 from 9:00 until 1:00 at the Monterey Bay Aquarium Research Institute, Moss Landing, California.

EFFECTIVE DATES: General issues related to the Monterey Bay National Marine Sanctuary are expected to be discussed, including an update from the Sanctuary Manager; reports from the working groups; a presentation of the Sanctuary video; and a presentation of marketing strategies for the Sanctuary license plate.

PUBLIC PARTICIPATION: The meeting will be open to the public. Seats will be available on a first-come, first-served basis.

FOR FURTHER INFORMATION CONTACT: Jane Delay at (408) 647-4246 or Elizabeth Moore at (301) 713-3141.

Federal Domestic Assistance Catalog Number 11.429.

Marine Sanctuary Program

Dated: September 16, 1996.

David L. Evans,

Acting Deputy Assistant Administrator for Ocean Services and Coastal Zone Management.

[FR Doc. 96-24115 Filed 9-19-96; 8:45 am]

BILLING CODE 3510-08-M

[I.D. 091696B]

Marine Mammals; Scientific Research Permit (P772#65)

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Receipt of application for amendment.

SUMMARY: Notice is hereby given that Southwest Fisheries Science Center, NMFS, P.O. Box 271, La Jolla, CA 92038-0271, has requested an amendment to Permit No. 873.

DATES: Written comments must be received on or before October 21, 1996.

ADDRESSES: The amendment request and related documents are available for review upon written request or by appointment in the following office(s): Permits Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13130, Silver Spring, MD 20910 (301/713-2289); and

Director, Southwest Region, NMFS, 501 West Ocean Boulevard, Suite 4200, Long Beach, CA 90802-4213 (310/980-4001).

Written data or views, or requests for a public hearing on this request, should be submitted to the Director, Office of

Protected Resources, NMFS, 1315 East-West Highway, Room 13130, Silver Spring, MD 20910. Those individuals requesting a hearing should set forth the specific reasons why a hearing on this particular request would be appropriate.

Concurrent with the publication of this notice in the Federal Register, NMFS is forwarding copies of this application to the Marine Mammal Commission and its Committee of Scientific Advisors.

SUPPLEMENTARY INFORMATION: The subject amendment to permit no. 873, issued on July 28, 1993 (58 FR 34038), is requested under the authority of the Marine Mammal Protection Act of 1972, as amended (16 U.S.C. 1361 *et seq.*), the Regulations Governing the Taking and Importing of Marine Mammals (50 CFR part 216), the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*), and the regulations governing the taking, importing, and exporting of endangered fish and wildlife (50 CFR part 222).

Permit no. 873 authorizes the permit holder to harass (i.e., through vessel approach, photogrammetry, photographic identification, and tissue biopsy) several marine mammal species in the Pacific, Southern, and Indian Oceans, over a 5-year period. The permit holder is now requesting authorization to: (1) Expand the location of the research activities to include the U.S. and international waters of the Gulf of Mexico; (2) increase the number of biopsy tissue sample takes from 20 to 50 for northern right whale dolphins (*Lissodelphis borealis*), pilot whales (*Globicephala spp.*), killer whales (*Orcinus orca*), harbor porpoise (*Phocoena phocoena*), Dall's porpoise (*Phocoenoides dalli*), and blue whales (*Balaenoptera musculus*) in the Pacific Ocean; and (3) increase the number of biopsy tissue sample takes for sperm whales (*Physeter macrocephalus*) from 20 to 200.

Dated: September 16, 1996

Ann D. Terbush,

Chief, Permits and Documentation Division, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 96-24197 Filed 9-19-96; 8:45 am]

BILLING CODE 3510-22-F

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Temporary Amendment to the Requirements for Participating in the Special Access Program for Caribbean Basin Countries

September 16, 1996.

AGENCY: Committee for the Implementation of Textile Agreements (CITA).

ACTION: Issuing a directive to the Commissioner of Customs amending requirements for participation in the Special Access Program for a temporary period.

EFFECTIVE DATE: September 23, 1996.

FOR FURTHER INFORMATION CONTACT: Lori E. Mennitt, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482-3400.

SUPPLEMENTARY INFORMATION:

Authority: Executive Order 11651 of March 3, 1972, as amended; section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854).

This notice identifies a temporary amendment to the foreign origin exception for findings and trimmings under the Special Access Program.

Effective on September 23, 1996, by date of export, the foreign origin exception for findings and trimmings, including elastic strips of less than one inch in width, under the Special Access Program is temporarily amended to include non-U.S. formed, U.S. cut interlinings, further described below, for men's and boys' and women's and girls' suit-type jackets in Categories 433, 435, 443, 444, 633, 635, 643 and 644. As temporarily amended, the exception still requires that, in the aggregate, such interlinings, findings and trimmings not exceed 25 percent of the cost of the components of the assembled article. As indicated, in order to qualify for the exception as temporarily amended, such interlinings must be cut in the United States.

With respect to men's and boys' suit jackets and suit-type jackets in Categories 433, 443, 633 and 643, this amendment will terminate on September 22, 1997, by date of export. For women's and girls' suit jackets and suit-type jackets in Categories 435, 444, 635 and 644, this amendment will terminate on June 22, 1997, by date of export. Products in these categories exported from the United States for assembly prior to the expiration dates for the temporary amendment shall remain eligible for the exception if re-

exported to the United States after the expiration dates for the temporary amendment.

As described above, non-U.S. formed interlinings may be used in imports of men's and boys' and women's and girls' suit jackets and suit-type jackets entered under the Special Access Program (9802.00.8015) provided they are cut in the United States and are of a type described in (1) through (3) below:

(1) A chest plate, "hymo" piece or "sleeve header" of woven or weft-inserted warp knit construction of coarse animal hair or man-made filaments used in the manufacture of men's, boys', women's or girls' tailored suit jackets and suit-type jackets;

(2) A weft-inserted warp knit fabric which contains and exhibits properties of elasticity and resilience which render the fabric especially suitable for attachment by fusing with a thermo-plastic adhesive to the coat-front, side body or back of men's, boys', women's or girls' tailored suit jackets and suit-type jackets;

(3) A woven fabric which contains and exhibits properties of resiliency which render the fabric especially suitable for attachment by fusing with a thermo-plastic adhesive to the coat-front, side body or back of men's, boys', women's or girls' tailored suit jackets and suit-type jackets.

Companies must maintain complete records of the interlining invoices and provide access to the U.S. Customs Service (Customs) at the time of a Compliance Review. These invoices must indicate to Customs that the interlinings meet the above criteria.

D. Michael Hutchinson,

Acting Chairman, Committee for the Implementation of Textile Agreements.

Committee for the Implementation of Textile Agreements

September 16, 1996.

Commissioner of Customs,

Department of the Treasury, Washington, DC 20229.

Dear Commissioner: This directive amends but does not cancel the directives issued to you on January 11, 1996 for Colombia; January 24, 1996 for Costa Rica, as amended; January 11, 1996 for the Dominican Republic, as amended; December 13, 1995 for El Salvador, as amended; November 29, 1995 for Guatemala, as amended; November 29, 1995 for Honduras; and January 11, 1996 for Jamaica, as amended, by the Chairman, Committee for the Implementation of Textile Agreements, for the Special Access Program.

Effective on September 23, 1996, by date of export, you are directed to treat non-U.S. formed, U.S.-cut interlinings, further described below, for men's and boys' and women's and girls' wool and man-made fiber suit jackets and suit-type jackets in Categories 433, 435, 443, 444, 633, 635, 643

and 644 as qualifying for the exception for findings and trimmings, including elastic strips less than one inch in width, created under the Special Access Program established effective September 1, 1986 (see 51 FR 21208). In the aggregate, such interlinings, findings and trimmings must not exceed 25 percent of the cost of the components of the assembled article.

The amendments implemented by this directive shall be of a temporary nature. With respect to men's and boys' suit jackets and suit-type jackets in Categories 433, 443, 633 and 643, this amendment will terminate on September 22, 1997, by date of export. For women's and girls' suit jackets and suit-type jackets in Categories 435, 444, 635 and 644, the amendment will terminate on June 22, 1997, by date of export.

As described above, non-U.S. formed, U.S.-cut interlinings may be used in imports of men's, boys' and women's or girls' suit jackets and suit-type jackets entered under the Special Access Program (9802.00.8015) provided they are cut in the United States and of a type described in (1) through (3) below:

(1) A chest plate, "hymo" piece or "sleeve header" of woven or weft-inserted warp knit construction of coarse animal hair or man-made filaments used in the manufacture of men's, boys', women's or girls' tailored suit jackets and suit-type jackets;

(2) A weft-inserted warp knit fabric which contains and exhibits properties of elasticity and resilience which render the fabric especially suitable for attachment by fusing with a thermo-plastic adhesive to the coat-front, side body or back of men's, boys', women's or girls' tailored suit jackets and suit-type jackets;

(3) A woven fabric which contains and exhibits properties of resiliency which render the fabric especially suitable for attachment by fusing with a thermo-plastic adhesive to the coat-front, side body or back of men's, boys', women's or girls' tailored suit jackets and suit-type jackets.

Companies must maintain complete records of the interlining invoices and provide access to the U.S. Customs Service (Customs) at the time of a Compliance Review. These invoices must indicate to Customs that the interlinings meet the above criteria.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception of the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,

D. Michael Hutchinson,

Acting Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 96-24093 Filed 9-19-96; 8:45 am]

BILLING CODE 3510-DR-F

DEPARTMENT OF DEFENSE

Department of the Air Force

Notice of Intent To Prepare a Supplemental Environmental Impact Statement for the Siting of a Permanent Weapons Storage Area, the Siting of an Interim Weapons Storage Area, and for Transporting Weapons for B-1B Bomber Aircraft From the Storage Sites to Robins AFB, Warner Robins, GA

The United States Air Force and the Air National Guard are announcing their intent to prepare a Supplemental Environmental Impact Statement (SEIS) to analyze the proposed action regarding the siting of a permanent weapons storage area (WSA), an interim WSA, and transportation of weapons for the B-1B bomber aircraft from the storage sites to Robins AFB, Warner Robins, GA. This SEIS is a supplement to the EIS that was prepared for the re-location of B-1B bomber aircraft to Robins AFB, GA. This action will be known as Robins B-1B SEIS.

The proposed actions under consideration would address the potential environmental impacts at alternative sites for a permanent WSA, at alternative sites for an interim WSA during the period when a permanent site is under construction or modification, and transportation of weapons from the storage sites to Robins AFB, GA. Alternative proposed sites for a permanent WSA are located at Robins AFB, GA and at the Northrop Grumman facility in Perry, GA.

During the construction or modification of a permanent WSA facility, an interim WSA facility is proposed to be located either at a site at Fort Stewart in Hinesville, GA or at the Northrop Grumman facility in Perry, GA.

The Air Force and Air National Guard are planning to conduct a series of scoping meetings to discuss the environmental issues to be analyzed. The meetings will be conducted on the following dates and times at the indicated locations:

1. Wellston Center, 155 Maple Street, Warner Robins, Georgia, October 8, 1996, 7:00 PM.

2. Houston Agriculture Building, 733 Carroll Street, Perry, Georgia, October 10, 1996, 7:00 PM.

The purpose of these meetings is to present information concerning the proposed actions and alternatives under consideration and to solicit public input with respect to issues to be addressed, effort to be expended, and alternatives that should be addressed in the SEIS.

Questions or clarifications concerning the proposal or any other information presented will be answered as they relate to the scope of the effort anticipated.

The Scoping meetings will include opportunities for clarification of the proposal and statements from representatives of government agencies and the public. To ensure the maximum opportunity for public participation, initial presentations and questions by individuals will be limited to a maximum of five minutes until all those desiring an opportunity to speak have been accommodated. Additional presentations and questions will be accepted at the end of the meeting. Submission of written comments and questions will also be accepted. Submission of written comments is encouraged but is not required. Written comments and questions of any length submitted at the meeting or during the scoping period will be considered in their entirety and will carry the same weight as oral comments.

To ensure the Air Force and the Air National Guard have sufficient time to consider public input on issues and alternatives in the preparation of the Draft SEIS, comments should be submitted to the address below by November 22, 1996. Comments received after this date will be accepted but such comments are not required to be addressed in the next phase of the environmental document.

For further information concerning the preparation of the Robins B-1B SEIS, or to provide written comment, contact: Program Manager, Robins B-1 SEIS, Air National Guard Readiness Center, ANGRC/CEVP, 3500 Fetchet Avenue, Andrews Air Force Base, MD 20762-5157, (800) 252-8959.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 96-24006 Filed 9-19-96; 8:45 am]

BILLING CODE 3910-01-W

Notice of Intent To Adopt Final Environmental Impact Statement Prepared for Sky Harbor International Airport Master Plan Update Improvements by the U.S. Air Force, Phoenix, Maricopa County, AZ

The United States Air Force and the Air National Guard announce their intent to adopt the Sky Harbor Final Environmental Impact Statement (EIS) under the provisions of the Council on Environmental Quality (CEQ) regulations (40 CFR para 1506.3). The U.S. Air Force has reviewed the Sky Harbor EIS and determined that the EIS adequately addresses the environmental

impacts related to the proposed action for the relocation of the 161st Air Refueling Wing (ARW) at Sky Harbor.

As the federal entity responsible for funding airport improvements, the U.S. Department of Transportation, Federal Aviation Administration, Western-Pacific Region had City of Phoenix prepare the Sky Harbor EIS for airport master plan improvements. The relocation of the 161 ARW is proposed so that a third runway be constructed at Sky Harbor as part of master plan improvements. The relocation or shifting of the 161 ARW will require demolition of most of the existing facilities of the 161st ARW and reconstruction on a portion of the present land along with a new area provided to the south. The 161 ARW is on leased real estate which is owned by the City of Phoenix and controlled by the airport. The U.S. Air Force executive action to be made is whether to proceed with a land exchange agreement for the replacement of facilities and amend the lease to reflect the exchange of real estate.

The Air Force and Air National Guard will accept comments at the address below for a 30 day period from the date of this notice. For further information concerning adopting the Sky Harbor EIS, actions being taken by the Air Force and Air National Guard, or to provide written comment, contact: Mr. Kevin Marek, Program Manager, Sky Harbor EIS, Air National Guard Readiness Center, ANGRC/CEVP, 3500 Fetchet Avenue, Andrews Air Force Base, MD 20762-5157.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 96-24007 Filed 9-19-96; 8:45 am]

BILLING CODE 5000-04-P

DEPARTMENT OF EDUCATION

Notice Establishing Deadlines for the Submission of Waiver Requests

SUMMARY: In this notice, the Acting Deputy Secretary establishes deadlines for the submission of waiver requests under sections 14401 and 1113(a)(7) of the Elementary and Secondary Education Act of 1965 (ESEA), section 311(a) of the Goals 2000: Educate America Act, and section 502 of the School-to-Work Opportunities Act of 1994.

DEADLINES: Requests for waivers that would be implemented in the semester immediately following January 1, 1997 must be submitted no later than November 1, 1996.

Requests for waivers that would be implemented in the beginning of the

1997-98 school year must be submitted no later than May 1, 1997.

Waiver applicants are encouraged to submit their waiver requests as early as possible and not wait until these deadlines to seek waivers. The requests will be reviewed upon receipt.

For purposes of this notice, the submission date is the date that the waiver request is received by the U.S. Department of Education (Department) in substantially approvable form. A waiver request is considered to be in substantially approvable form when it has adequately addressed the statutory criteria as described in the Department's waiver guidance.

Exceptions to the deadlines will be considered only if the applicant demonstrates that the requested waiver would not disrupt ongoing school-level activities.

BACKGROUND: The reauthorized ESEA, the Goals 2000: Educate America Act, and the School-to-Work Opportunities Act provide State educational agencies, school districts, and other eligible applicants with opportunities to seek waivers of certain requirements of Federal education programs in order to improve school effectiveness and academic achievement. Waivers granted under these authorities should be part of overall school improvement efforts and promote improved teaching and learning. As of September 9, 1996, 129 waiver requests had been approved by the Department. The provisions waived have included requirements governing the statutory poverty threshold for implementing schoolwide programs under Title I of the ESEA; within-district allocations of Title I, Part A funds; the proportion of funds devoted to professional development in mathematics and science and other core subject areas under Title II of the ESEA; the consolidation of administrative funds under Title XIV of the ESEA; and the formation of consortia under the Perkins Vocational and Applied Technology Education Act.

During the period a waiver is under review by the Department, a waiver applicant must continue to comply with the requirement that is the subject of the waiver request. If a request is submitted close to the date an applicant desires to implement the waiver, the Department may be unable to review the request before the desired implementation date and/or the applicant may have insufficient time to make the adjustments necessary to effectively implement the waiver if one is granted. Thus, the Department has found it necessary to establish specific deadlines for the submission of waiver requests.

FOR FURTHER INFORMATION CONTACT:

Collette Roney at the Department's Waiver Assistance Line, (202) 401-7801. Copies of the Department's updated waiver guidance are available at this number. The guidance and other information on flexibility is also available at the Department's World Wide Web site at <http://www.ed.gov/flexibility>.

Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

Dated: September 16, 1996.

Marshall S. Smith,

Acting Deputy Secretary.

[FR Doc. 96-24109 Filed 9-19-96; 8:45 am]

BILLING CODE 4000-01-M

DEPARTMENT OF ENERGY**Federal Energy Regulatory Commission**

[Docket No. CP96-782-000]

CNG Transmission Corporation; Notice of Request Under Blanket Authorization

September 16, 1996.

Take notice that on September 11, 1996, CNG Transmission Corporation (CNG), 445 West Main Street, Clarksburg, West Virginia 26301, filed a request with the Commission in Docket No. CP96-782-000, pursuant to Sections 157.205, and 157.212 of the Commission's Regulations under the Natural Gas Act (NGA) for authorization to Construct a new transportation tap and appurtenant facilities to serve as a new delivery point to Peoples Natural Gas Company (Peoples) authorized in blanket certificate issued in Docket No. CP82-537-000, all as more fully set forth in the request on file with the Commission and open to public inspection.

CNG proposes to construct minimal facilities and would transport quantities of natural gas to be delivered to Peoples for redelivery to Elliott Turbomachinery Co., Inc. located in Westmoreland County, Pennsylvania. CNG states that CNG would then construct a six-inch hot tap and valve on the TL-342 pipeline so that Peoples could redeliver natural gas to Elliott. CNG further states that total cost of construction would be fully reimbursed by Peoples.

Any person or the Commission's staff may, within 45 days after the Commission has issued this notice, file pursuant to Rule 214 of the

Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to Section 157.205 of the Regulations under the NGA (18 CFR 157.205) a protest to the request. If no protest is filed within the allowed time, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to Section 7 of the NGA.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24085 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. TM97-1-33-001]

El Paso Natural Gas Company; Notice of Proposed Changes in FERC Gas Tariff

September 16, 1996.

Take notice that on September 11, 1996, El Paso Natural Gas Company (El Paso), pursuant to Subpart E of Part 154 of the Commission's Regulations Under the Natural Gas Act and in accordance with Section 21 of its FERC Gas Tariff, Second Revised Volume No. 1-A, tendered for filing and acceptance the following tariff sheets:

Second Revised Volume No. 1-A

Eighth Revised Sheet No. 20

Eighth Revised Sheet No. 23

Ninth Revised Sheet No. 24

Eighth Revised Sheet No. 26

Seventh Revised Sheet No. 27

Seventh Revised Sheet No. 28

Third Revised Volume No. 2

Thirty-Ninth Revised Sheet No. 1-D.2

Thirty-Second Revised Sheet No. 1-D.3

El Paso states that it is tendering these tariff sheets to reflect that the ACA to be collected for the fiscal year beginning October 1, 1996 is to be \$.0020 per dth. El Paso states that the instant filing should replace the filing made by El Paso by letter dated August 30, 1996 which stated that the ACA would be \$.0023.

El Paso requested waiver of Section 154.207 of the Commission's Regulations to permit the tendered tariff sheets to become effective on October 1, 1996.

El Paso states that copies of the filing were served upon all of El Paso's interstate pipeline system transportation customers and interested state regulatory commissions.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission,

888 First Street, N.E., Washington, D.C. 20426, in accordance with 18 CFR 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24092 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. EL96-74-000]

Enron Power Marketing, Inc. v. El Paso Electric Company; Notice of Filing and Shortening Answer Period

September 16, 1996.

Take notice that on September 13, 1996, as corrected September 16, 1996, Enron Power Marketing, Inc. (EPMI) filed a complaint and request for emergency relief under 206 of the Federal Power Act (FPA) alleging that El Paso Electric Company (EPE) denied EPMI's application for firm point-to-point transmission service and that the denial was unjust, unreasonable, unduly discriminatory, anticompetitive, and in violation of EPE's open-access transmission tariff that is on file with the Federal Energy Regulatory Commission. EPMI states that it requires the requested transmission service in order to complete its response, due October 14, 1996, to a request for proposals issued by the Commission Federal de Electricidad. EPMI requests that the Commission order EPE to enter into a firm point-to-point transmission service agreement with EPMI pursuant to the rates, terms and conditions of EPE's currently effective open-access transmission tariff no later than Friday, October 4, 1996.

Any person desiring to be heard or to protest such complaint should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such interventions and protests should be filed on or before September 23, 1996. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to

the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Further take notice that the time for answering the complaint is shortened. EPE, and any other entity wishing to respond to the complaint, must file an answer on or before September 23, 1996.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24129 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. IN96-1-002]

Iroquois Gas Transmission System, LP; Notice of Refund Report

September 16, 1996.

Take notice that on August 30, 1996, Iroquois Gas Transmission System, L. P. (Iroquois Gas) tendered for filing a refund report pursuant to a Stipulation and Consent Agreement approved by the Commission's May 23, 1996, order in Docket No. IN96-1-000.

Iroquois Gas states that the refund report indicates that on August 7, 1996, Iroquois Gas refunded to its customers \$428,752.82, inclusive of \$25,567.99 of interest. The refund report details the customers receiving the refunds, the amount of the refund, how the refund was calculated and the method used by Iroquois in making the refunds.

Any person desiring to be tested this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, DC 20426, in accordance with 18 CFR 385.211 of the Commission's Rules and Regulations. All such protests must be filed on or before September 23, 1996. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24087 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. FA94-6-001]

Pacific Gas Transmission Company; Notice of Refund Report

September 16, 1996.

Take notice that on July 15, 1996, in response to the Letter Order dated May 17, 1996, in the above-captioned docket, Pacific Gas Transmission Company

(PGT) tendered for filing with the Commission a refund report correcting the cost-of-service tariff billings to Pacific Gas & Electric Company (PG&E) and Pacific Interstate Transmission Company (PITCO).

PGT states that on June 28, 1996 it issued refunds (including carrying charges computed in accordance with Section 154.501(d) of the Commission's Regulations) of \$2,164,007.95 to PG&E and \$517,871.38 to PITCO. PGT states that spreadsheets detailing the refund calculations are attached to Appendices A and B to the filing.

PGT states that copies of the filing has been served on PG&E, PITCO and all interested State Commissions.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, DC 20426, in accordance with 18 CFR 385.211 of the Commission's Rules and Regulations. All such protests must be filed on or before September 23, 1996. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24086 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. RP95-197-017, RP96-211-004 and RP96-359-001]

Transcontinental Gas Pipe Line Corporation; Notice of Compliance Filing

September 16, 1996.

Take notice on September 11, 1996, Transcontinental Gas Pipe Line Corporation (Transco) tendered for filing certain revised tariff sheets to its FERC Gas Tariff, Third Revised Volume No. 1, which tariff sheets are enumerated in Appendix A attached to the filing. The proposed effective dates of the tariff sheets are June 1, August 1, and October 1, 1996.

Transco states that the purpose of the instant filing is to supplement Transco's filings of (1) August 19, 1996 in Docket Nos. RP95-197-015 and RP96-211-002 and (2) August 30, 1996 in Docket No. RP96-359-000 by incorporating Transco's currently effective Section 29 of the General Terms and Conditions into the tariff sheets filed in said filings. Transco further states that the instant filing also adds conforming language to

Section 28.4(c) of its General Terms and Conditions.

Transco states that it is serving copies of the instant filing to customers, State Commissions and other interested parties.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with 18 CFR 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24088 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. ER96-108-004, et al.]

Duke/Louis Dreyfus L.L.C., et al.; Electric Rate and Corporate Regulation Filings

September 13, 1996.

Take notice that the following filings have been made with the Commission:

1. Duke/Louis Dreyfus L.L.C.

[Docket No. ER96-108-004]

Take notice that on September 5, 1996, Duke/Louis Dreyfus L.L.C. (Duke/Louis Dreyfus) notified the Commission of a change in status.

The change in status results from the formation by Duke/Louis Dreyfus and Lykes Energy, Inc. of a joint venture to market power.

Comment date: September 26, 1996, in accordance with Standard Paragraph E at the end of this notice.

2. Northern States Power Company (Minnesota Company)

[Docket No. ER96-2804-000]

Take notice that on August 26, 1996, Northern States Power Company (Minnesota) [NSP] tendered for filing a Supplement No. 1 [Supplement] to the Municipal Interconnection and Interchange Agreement [Agreement] dated February 6, 1996, between NSP and the City of Ada [City.] NSP files this Supplement on behalf of City and itself.

The Supplement provides for a change in the language in Service Schedule F of the Agreement to remove a reference to a specific billing date.

NSP requests the Commission waive its Part 35 notice requirements and accept this Supplement for filing effective December 1, 1995.

Comment date: September 26, 1996, in accordance with Standard Paragraph E at the end of this notice.

3. Central Power and Light Company, West Texas Utilities Company, Public Service Company of Oklahoma, and Southwestern Electric Power Company

[Docket No. ER96-2925-000]

Take notice that on September 4, 1996, Central Power and Light Company (CPL), West Texas Utilities Company (WTU), Public Service Company of Oklahoma (PSO) and Southwestern Electric Power Company (SWEPCO) (collectively, the CSW Operating Companies) submitted for filing corrections to their Open Access Transmission Service Tariffs (Tariffs).

The CSW Operating companies requests the revisions be made effective July 9, 1996 and accordingly ask for waiver of the Commission's notice requirements. The CSW Operating Companies state that a copy of the filing has been served on all transmission customers served under the tariffs, all

parties on the official service lists in Docket Nos. OA96-185-000 and ER96-1046-000 (consolidated with EL96-42-000) and all effected state commissions.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

4. Wisconsin Power & Light Company
[Docket No. ER96-2926-000]

Take notice that on September 5, 1996, Wisconsin Power & Light Company (WPL), tendered for filing an amended Wholesale Power contract dated September 3, 1996, between the Village of Pardeeville and WPL. WPL states that this amended Wholesale Power Contract revises the previous agreement between the two parties dated November 7, 1994, and designated Rate Schedule No. 135 by the Commission.

The parties have amended the Wholesale Power Contract to add an additional delivery point. Service under this amended Wholesale Power Contract will be in accordance with standard WPL Rate Schedule W-3.

WPL requests that an effective date concurred with the planned in service date for the new substation be assigned. WPL states that copies of the filing have

been provided to the Village of Pardeeville and the Public Service Commission of Wisconsin.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

5. Boston Edison Company
[Docket No. ER96-2927-000]

Take notice that on September 6, 1996, Boston Edison Company (Boston Edison) of Boston, Massachusetts, tendered for filing unexecuted service agreements converting certain transmission customers to service under Boston Edison's Open Access Transmission Tariff (FERC Electric Tariff Original Volume No. 7). Boston Edison requests an effective date for this these service agreements of November 6, 1996, which is sixty days from the date of the filing. Boston Edison also proposes to terminate its existing FERC Electric Tariffs Original Volumes 3 and 4 which have been in effect for several years. The following table lists each affected customer and superseded service tariff, and whether they are being shifted to network service or firm point-to-point service (FPTP) under Volume 7:

Customer	Superseded tariff volume 3 or 4	Order 888 service	Nomination
Norwood Municipal Light Dept	4	Network	N/A
New England Power Company	4	Network (Quincy- Weymouth)	N/A
Massachusetts Municipal Wholesale Electric Company	4	FPTP	18.41 MW
Reading Municipal Light Dept	4	FPTP	13 MW
Reading Municipal Light Dept	3	FPTP	12 MW
Hingham Municipal Light Plant	3	FPTP	2 MW
Hingham Municipal Light Plant	3	FPTP	3 MW
Braintree Electric Light Dept	3	FPTP	2 MW
Braintree Electric Light Dept	3	FPTP	10 MW
Altresco Pittsfield Light Plant	3	FPTP	29.5 MW

Boston Edison states that copies of this filing have been served upon each affected customer and upon the Massachusetts Department of Public Utilities. Boston Edison further states that this filing has been posted as required by the Commission's Regulations.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

6. Illinois Power Company
[Docket No. ER96-2928-000]

Take notice that on September 6, 1996, Illinois Power Company (Illinois Power), 500 South 27th Street, Decatur, Illinois 62526, tendered for filing firm and non-firm transmission agreements under which Federal Energy Sales Inc.

will take transmission service pursuant to its open access transmission tariff. The agreements are based on the Form of Service Agreement in Illinois Power's tariff.

Illinois Power has requested an effective date of August 23, 1996.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

7. Illinois Power Company
[Docket No. ER96-2929-000]

Take notice that on September 6, 1996, Illinois Power Company (Illinois Power), 500 South 27th Street, Decatur, Illinois 62526, tendered for filing a Power Sales Tariff, Service Agreement under which PanEnergy Trading and Market Services, Inc. will take service

under Illinois Power Company's Power Sales Tariff. The agreements are based on the Form of Service Agreement in Illinois Power's tariff.

Illinois Power has requested an effective date of September 1, 1996.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

8. Cinergy Services, Inc.
[Docket No. ER96-2930-000]

Take notice that on September 6, 1996, Cinergy Services, Inc. (Cinergy), tendered for filing a service agreement under Cinergy's Open Access Transmission Service Tariff (the Tariff) entered into between Cinergy and PECO Energy Company.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

9. Louisville Gas and Electric Company
[Docket No. ER96-2931-000]

Take notice that on September 6, 1996, Louisville Gas and Electric Company, tendered for filing copies of a service agreement between Louisville Gas and Electric Company and Kentucky Utilities Company under Rate GSS.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

10. Louisville Gas and Electric Company
[Docket No. ER96-2932-000]

Take notice that on September 6, 1996, Louisville Gas and Electric Company, tendered for filing copies of a service agreement between Louisville Gas and Electric Company and PanEnergy Power Services under Rate GSS.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

11. Louisville Gas and Electric Company
[Docket No. ER96-2933-000]

Take notice that on September 6, 1996, Louisville Gas and Electric Company, tendered for filing copies of service agreements between Louisville Gas and Electric Company and Louis Dreyfus Electric Power Inc. under Rate GSS.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

12. New England Hydro-Transmission Electric Company, Inc.
[Docket No. ER96-2934-000]

Take notice that on September 6, 1996, New England Hydro-Transmission Electric Company, Inc. (NEH), tendered for filing a letter of understanding with the New England Power Pool.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

13. PECO Energy Company
[Docket No. ER96-2935-000]

Take notice that on September 6, 1996, PECO Energy Company (PECO), filed a Service Agreement dated August 6, 1996 with El Paso Energy Marketing Company (EPEM) under PECO's FERC Electric Tariff Original Volume No. 1 (Tariff). The Service Agreement adds EPEM as a customer under the Tariff.

PECO requests an effective date of August 7, 1996, for the Service Agreement.

PECO states that copies of this filing have been supplied to EPEM and to the Pennsylvania Public Utility Commission.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

14. Central Illinois Public Service Company
[Docket No. ER96-2936-000]

Take notice that on September 6, 1996, Central Illinois Public Service Company (CIPS), tendered for filing a Joint Ownership and Operation Agreement between CIPS and IES Utilities Inc. (IES), dated March 28, 1996, regarding the ownership and operation of a new substation near Niota, Illinois (Niota substation) and four new Appendices A to the Interconnection Agreement between CIPS and Iowa Electric Light and Power Company, a corporate predecessor of IES, detailing new points of interconnection between CIPS and IES.

CIPS seeks an effective date for the four Appendices of October 1, 1996 and, accordingly, seeks waiver of the Commission's notice requirements. CIPS seeks an effective date sixty days from the date of filing for the Joint Ownership and Operation Agreement. Copies of the filing have been served on IES, the Illinois Commerce Commission and the Iowa Utilities Board.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

15. Southwestern Public Service Company
[Docket No. ER96-2937-000]

Take notice that on September 6, 1996, Southwestern Public Service Company submitted an agreement with the Energy Transfer Group, L.L.C.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

16. Public Service Company of Oklahoma; Southwestern Electric Power Company
[Docket No. ER96-2938-000]

Take notice that on September 6, 1996, Public Service Company of Oklahoma and Southwestern Electric Power Company (collectively, the Companies), tendered for filing a service agreement under which they will provide non-firm transmission service to PanEnergy Power Services, Inc. (PanEnergy) under their point-to-point transmission service tariff.

The Companies state that a copy of the filing has been served on PanEnergy.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

17. Central Power and Light Company; West Texas Utilities Company
[Docket No. ER96-2939-000]

Take notice that on September 6, 1996, Central Power and Light Company and West Texas Utilities Company, (jointly, the Companies), tendered for filing a service agreement under which they will provide non-firm transmission service to PanEnergy Power Services, Inc. (PanEnergy) under their point-to-point transmission service tariff.

The Companies state that copies of the filing have been served on PanEnergy.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

18. Portland General Electric Company
[Docket No. ER96-2940-000]

Take notice that on September 6, 1996, Portland General Electric Company (PGE), tendered for filing under PGE's Final Rule pro forma tariff, (Docket No. OA96-137-000) unexecuted Service Agreements for Firm and Non-Firm Point-to-Point Transmission Service with PacifiCorp.

Pursuant to 18 CFR 35.11 and the Commission's order issued July 30, 1993 (Docket No. PL92-2-002), PGE respectfully requests the Commission grant a waiver of the notice requirements of 18 CFR 35.3 to allow the unexecuted Service Agreements to become effective August 9, 1996.

Copies of this filing were caused to be served upon the entities listed in the body of the filing letter.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

19. Carolina Power & Light Company
[Docket No. ER96-2941-000]

Take notice that on September 6, 1996, Carolina Power & Light Company (Carolina), tendered for filing an executed Service Agreement between Carolina and the following Eligible Entity; Allegheny Power Service this Eligible Entity will be in accordance with the terms and conditions of Carolina's Tariff No. 1 for Sales of Capacity and Energy.

Copies of the filing were served upon the North Carolina Utilities Commission and the South Carolina Public Service Commission.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

20. National Power Marketing Company L.L.C.

[Docket No. ER96-2942-000]

Take notice that on September 9, 1996, National Power Marketing Company, L.L.C., filed a petition for approval of market-based rates.

Comment date: September 27, 1996, in accordance with Standard Paragraph E at the end of this notice.

21. Orange and Rockland Utilities, Inc.

[Docket No. OA96-226-000]

Take notice that on September 5, 1996, Orange and Rockland Utilities, Inc. tendered for filing an informational filing setting forth the unbundled power and transmission rates reflected in all existing requirements contracts and tariffs that provide for unbundled rates.

Comment date: October 4, 1996, in accordance with Standard Paragraph E at the end of this notice.

22. Baltimore Gas and Electric Company and Potomac Electric Power Company

[Docket No. OA96-227-000]

Take notice that on August 30, 1996, Baltimore Gas and Electric Company (BGE) and Potomac Electric Power Company (Pepco) (collectively, Applicants) filed an Order No. 888 open-access transmission tariff for Constellation Energy Corporation (Constellation), in compliance with the Commission's Order of July 31, 1996. The Applicants state that the tariff will become effective upon the consummation of the merger of BGE and Pepco into Constellation.

Comment date: September 30, 1996, in accordance with Standard Paragraph E at the end of this notice.

23. Washington Water Power Company

[Docket No. TX96-10-000]

Take notice that on August 30, 1996, Washington Water Power Company tendered for filing a letter withdrawing its application filed on May 22, 1996, in the above-referenced docket.

Comment date: September 26, 1996, in accordance with Standard Paragraph E at the end of this notice.

Standard Paragraph

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before the comment date. Protests will be

considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24127 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-P

Notice of Transfer of License

September 16, 1996.

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. Type of Application: Transfer of License.

b. Project No.: 3863-023.

c. Date Filed: September 4, 1996.

d. Applicant: Highland Hydro Construction, Inc. Snow Mountain Hydro LLC.

e. Project Name: Lost Creek Hydroelectric No. 1.

f. Location: Lost Creek in Shasta County, CA.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)-825(r).

h. Applicant Contact:

Anthony R. Callobre, Esq., Kelley Drye & Warren LLP, 515 South Flower Street, Suite 1100, Los Angeles, CA 90071, (213) 689-1300

Randolph J. Hill, Esq., Vice President and Secretary, Ida-West Acquisition Company, 1199 Shoreline Lane, Suite 310, Boise, ID 83702, (208) 336-4254.

i. FERC Contact: David Cagnon, (202) 219-2693.

j. Comment Date: October 9, 1996.

k. Description of Transfer: The transfer of license is being sought in connection with the sale of the project from Highland Hydro Construction, Inc. to Snow Mountain Hydro LLC.

l. This notice also consists of the following standard paragraphs: B, C2, and D2.

B. Comments, Protests, or Motions to Intervene—Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments,

protests, or motions to intervene must be received on or before the specified comment date for the particular application.

C2. Filing and Service of Responsive Documents—Any filings must bear in all capital letters the title "COMMENTS," "RECOMMENDATIONS FOR TERMS AND CONDITIONS," "NOTICE OF INTENT TO FILE COMPETING APPLICATION," "COMPETING APPLICATION," "PROTEST," or "MOTION TO INTERVENE," as applicable, and the Project Number of the particular application to which the filing refers. Any of these documents must be filed by providing the original and the number of copies provided by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426. A copy of a notice of intent, competing application, or motion to intervene must also be served upon each representative of the Applicant specified in the particular application.

D2. Agency Comments—Federal, state, and local agencies are invited to file comments on the described application. A copy of the application may be obtained by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24089 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-M

Notice of Transfer of License

September 16, 1996.

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. Type of Application: Transfer of License.

b. Project No.: 5130-020.

c. Date Filed: September 4, 1996.

d. Applicant: Highland Hydro Construction, Inc., Snow Mountain Hydro LLC.

e. Project Name: Lost Creek Hydroelectric No. 2.

f. Location: Lost Creek in Shasta County, CA.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)-825(r).

h. Applicant Contact:

Anthony R. Callobre, Esq., Kelley Drye & Warren LLP, 515 South Flower

Street, Suite 1100, Los Angeles, CA 90071, (213) 689-1300

Randolph J. Hill, Esq., Vice President and Secretary, Ida-West Acquisition Company, 1199 Shoreline Lane, Suite 310, Boise, ID 83702, (208) 336-4254.

i. FERC Contact: David Cagnon, (202) 219-2693.

j. Comment Date: October 9, 1996.

k. Description of Transfer: The transfer of license is being sought in connection with the sale of the project from Highland Hydro Construction, Inc. to Snow Mountain Hydro LLC.

l. This notice also consists of the following standard paragraphs: B, C2, and D2.

B. Comments, Protests, or Motions to Intervene—Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214. In determining the appropriate action to take, the Commission will consider all protest or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

C2. Filing and Service of Responsive Documents—Any filings must bear in all capital letters the title "COMMENTS,"

"RECOMMENDATIONS FOR TERMS AND CONDITIONS," "NOTICE OF INTENT TO FILE COMPETING APPLICATION," "COMPETING APPLICATION," "PROTEST," or "MOTION TO INTERVENE," as applicable, and the Project Number of the particular application to which the filing refers. Any of these documents must be filed by providing the original and the number of copies provided by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426. A copy of a notice of intent, competing application, or motion to intervene must also be served upon each representative of the Applicant specified in the particular application.

D2. Agency Comments—Federal, state, and local agencies are invited to file comments on the described application. A copy of the application may be obtained by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also

be sent to the Applicant's representatives.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24090 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-M

Notice of Transfer of License

September 16, 1996.

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. Type of Application: Transfer of License.

b. Project No.: 8357-022.

c. Date Filed: September 4, 1996.

d. Applicant: Highland Hydro Construction, Inc., Snow Mountain Hydro LLC.

e. Project Name: Ponderosa/Bailey Project.

f. Location: Bailey Creek in Shasta County, CA.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)-825(r).

h. Applicant Contact:

Anthony R. Callobre, Esq., Kelley Drye & Warren LLP, 515 South Flower Street, Suite 1100, Los Angeles, CA 90071, (213) 689-1300

Randolph J. Hill, Esq., Vice President and Secretary, Ida-West Acquisition Company, 1199 Shoreline Lane, Suite 310, Boise, ID 83702, (208) 336-4254

i. FERC Contact: David Cagnon, (202) 219-2693.

j. Comment Date: October 9, 1996.

k. Description of Transfer: The transfer of license is being sought in connection with the sale of the project from Highland Hydro Construction, Inc. to Snow Mountain Hydro LLC.

l. This notice also consists of the following standard paragraphs: B, C2, and D2.

B. Comments, Protests, or Motions to Intervene—Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

C2. Filing and Service of Responsive Documents—Any filings must bear in all capital letters the title

"COMMENTS,"

"RECOMMENDATIONS FOR TERMS AND CONDITIONS," "NOTICE OF INTENT TO FILE COMPETING APPLICATION," "COMPETING APPLICATION," "PROTEST," or "MOTION TO INTERVENE," as applicable, and the Project Number of the particular application to which the filing refers. Any of these documents must be filed by providing the original and the number of copies provided by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426. A copy of a notice of intent, competing application, or motion to intervene must also be served upon each representative of the Applicant specified in the particular application.

D2. Agency Comments—Federal, state, and local agencies are invited to file comments on the described application. A copy of the application may be obtained by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

Lois D. Cashell,

Secretary.

[FR Doc. 96-24091 Filed 9-19-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. CP96-769-000, et al.]

Transcontinental Gas Pipe Line Corporation, et al.; Natural Gas Certificate Filings

September 13, 1996.

Take notice that the following filings have been made with the Commission:

1. Transcontinental Gas Pipe Line Corporation

[Docket No. CP96-769-000]

Take notice that on September 5, 1996, Transcontinental Gas Pipe Line Corporation (TGPL), P.O. Box 1396, Houston, Texas 77251, filed in Docket No. CP96-769-000 an application pursuant to Section 7(b) of the Natural Gas Act for permission and approval to abandon the Luby and Petronilla Lateral Facilities in Nueces County, Texas, which was authorized in Docket Nos. G-2075, CP80-89, and CP78-541, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, TGPL proposes to abandon by sale to Corpus Christi Transmission Company, L.P. (CCTC),

the Petronilla-Shield-Luby Line; the Luby Transmission Purchase Lateral; the Texas Eastern Pemex-Petronilla Transmission Purchase Line; the Sun-Luby Lateral; and the following three metering stations: the Sun-Luby M&R, the Texas Eastern Pemex-Petronilla Exchange M&R, and the Luby M&R. TGPL proposes to transfer these facilities, collectively referred to as the "Luby and Petronilla Lateral Facilities", at net book value, which was \$122,537 as of August 31, 1996.

Comment date: October 4, 1996, in accordance with Standard Paragraph F at the end of this notice.

2. Coastal States Gas Transmission Company

[Docket No. CP96-770-000]

Take notice that on September 5, 1996, Coastal States Gas Transmission Company (CSGTC), Nine Greenway Plaza, Houston, Texas, 77046, pursuant to Executive Order No. 10485 (18 Fed. Reg. 5397 (1953)), Section 3 of the Natural Gas Act (NGA) (15 U.S.C. § 717b) and Part 153 of the Federal Energy Regulatory Commission's (Commission) regulations, filed an application requesting a Presidential Permit and authorizations under Section 3 of the NGA to site, construct, operate, and maintain natural gas pipeline facilities at the International Boundary between the United States and the Republic of Mexico.

CSGTC proposes to construct a border facility consisting of approximately 650 feet of 24-inch O.D. pipe near the City of Roma, Texas on the United States side of the border which is proximate to Ciudad Miguel Aleman in the State of Tamaulipas on the Mexican side of the border.

Comment date: October 4, 1996, in accordance with Standard Paragraph F at the end of this notice.

3. Williston Basin Interstate Pipeline Company v. Natural Gas Processing Co.

[Docket No. CP96-771-000]

Take notice that on September 5, 1996, Williston Basin Interstate Pipeline Company (Williston), 200 North Third Street, Bismarck, North Dakota 58501, filed with the Commission in Docket No. CP96-771-000 a complaint against Natural Gas Processing Co. (NGP), 101 Division Street, Worland, Wyoming 84201. Williston states that NGP is a vertically integrated natural gas enterprise engaged in the production, gathering, processing, transmission, and distribution of natural gas. Williston claims that NGP owns and operates natural gas transmission facilities subject to the jurisdiction of the

Commission under the Natural Gas Act (NGA) without certificate or rate authority.¹

Williston also claims that NGP is about to commence construction of the Graybull transmission line for the purpose of transporting interstate natural gas supplies from Colorado Interstate Gas Company's (CIG) Gooseberry Creek measuring station to the distribution system of Wyoming Gas Company, a Division of NGP, in Basin and Greybull, Wyoming without applying for and obtaining certificate and rate authorization from the Commission under the NGA.

Williston requests that the Commission (1) find that NGP is a "natural-gas company" as defined in section 2(6) of the NGA; (2) find that NGP's construction, ownership and operation of facilities subject to the jurisdiction of the Commission without obtaining prior certificate and rate approvals from the Commission constitutes violations of the NGA; and (3) take immediate enforcement action to enjoin NGP's violations of the NGA. Williston further states that if the Commission is unable promptly to enjoin NGP from the violation on the basis of the pleadings, Williston requests that an evidentiary hearing be held on an expedited basis to support a decision in this matter.

Comment date: October 15, 1996, in accordance with the first paragraph of Standard Paragraph F at the end of this notice. Answers to the complaint shall be due on or before October 15, 1996.

4. K N Interstate Gas Transmission Company

[Docket No. CP96-778-000]

Take notice that on September 10, 1996, K N Interstate Gas Transmission Company (K N Interstate), 370 Van Gordon Street, P.O. Box 281304, Lakewood, Colorado 80228-8304 filed in Docket No. CP96-778-000 a request pursuant to Sections 157.212 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.212) for approval and permission to install and operate six new points of delivery for K N Energy, Inc. (K N) for resale to various customers by K N, under the blanket certificate issued in Docket No. CP89-1043-000, pursuant to Section 7(c) of the Natural Gas Act (NGA), all as more fully set forth in the request which is on file with the Commission and open to public inspection.

¹ Williston indicates that NGP also owns and operates various production, gathering and processing facilities which are not material to the activities which are the subject of this Complaint.

K N Interstate states that it proposes to install six new points of delivery in the states of Nebraska and Colorado. K N Interstate asserts that the total volumes of gas to be delivered at the proposed delivery points will be within the current maximum delivery quantities set forth in its transportation service agreement with K N. K N Interstate indicates that the proposed delivery points are not prohibited by its tariff and that the addition of the proposed delivery points will not adversely affect any of its customers.

Comment date: October 28, 1996, in accordance with Standard Paragraph G at the end of this notice.

5. K N Interstate Gas Transmission Company

[Docket No. CP96-779-000]

Take notice that on September 10, 1996, K N Interstate Gas Transmission Co. (K N Interstate), P.O. Box 281304, Lakewood, Colorado 88228, filed in Docket No. CP96-779-000, an abbreviated application pursuant to Section 7(b) of the Natural Gas Act, and Part 157 of the Commission's Regulations for an order permitting and approving the abandonment, by sale, of approximately 21.9 miles of 16-inch pipeline known as the Aledo East Extension facilities which are located in the State of Oklahoma and comprise a segment of K N Interstate's Buffalo Wallow System. K N Interstate states that the facilities, as a result of a series of transactions, will eventually be transferred to, and owned by, ONG Transmission Company, an intrastate pipeline company. K N Interstate also requests that the Commission declare that the Aledo East Extension facilities will be nonjurisdictional upon abandonment by sale, and the companies to which the facilities will be transferred will not be subject to the Commission's jurisdiction as a result of the contemplated transaction; all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Comment date: October 4, 1996, in accordance with Standard Paragraph F at the end of this notice.

Standard Paragraphs

F. Any person desiring to be heard or make any protest with reference to said filing should on or before the comment date file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214) and the Regulations under the

Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this filing if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for the applicant to appear or be represented at the hearing.

G. Any person or the Commission's staff may, within 45 days after the issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to Section 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefore, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to Section 7 of the Natural Gas Act.

Lois D. Cashell,
Secretary.

[FR Doc. 96-24128 Filed 9-19-96; 8:45 am]
BILLING CODE 6717-01-P

Office of Hearings and Appeals

Notice of Issuance of Decisions and Orders From the Week of March 18 Through March 22, 1996

During the week of March 18 through March 22, 1996, the decisions and

orders summarized below were issued with respect to appeals, applications, petitions, or other requests filed with the Office of Hearings and Appeals of the Department of Energy. The following summary also contains a list of submissions that were dismissed by the Office of Hearings and Appeals.

Copies of the full text of these decisions and orders are available in the Public Reference Room of the Office of Hearings and Appeals, Room 1E-234, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585-0107, Monday through Friday, between the hours of 1:00 p.m. and 5:00 p.m., except federal holidays. They are also available in *Energy Management: Federal Energy Guidelines*, a commercially published loose leaf reporter system. Some decisions and orders are available on the Office of Hearings and Appeals World Wide Web site at <http://www.oha.doe.gov>.

Dated: September 10, 1996.

George B. Breznay,

Director, Office of Hearings and Appeals.

Decision List No. 964—Week of March 18 through March 22, 1996

Appeals

Esther Samra, 3/21/96, VFA-0051

Esther Samra (Samra) filed an Appeal from a determination issued to her by the Albuquerque Operations Office (DOE/AL) of the Department of Energy (DOE). In her Appeal, Samra asserted that DOE/AL improperly withheld as classified a photograph she requested pursuant to the FOIA. The DOE determined that the photograph was properly classified since it contained nuclear weapon design features and was thus properly withheld pursuant to Exemption 3 of the FOIA. Consequently, Samra's Appeal was denied.

Gilberte R. Brashear, 3/21/96, VFA-0136

Mrs. Gilberte R. Brashear filed an Appeal from a determination issued to her on January 31, 1996, by the FOIA Officer of the Oak Ridge Operations Office of the Department of Energy (DOE). In that determination, the FOIA Officer stated that she did not find any documents responsive to the appellant's information request under the Freedom of Information Act (FOIA). In considering the Appeal, the DOE confirmed that the FOIA Officer followed procedures reasonably calculated to uncover the requested information. Accordingly, the DOE denied the appellant's request.

The News Tribune, 3/21/96, VFA-0111

The News Tribune filed an Appeal from a determination issued to it by the Bonneville Power Administration (BPA)

of the Department of Energy (DOE) in response to a Request for Information submitted under the Freedom of Information Act (FOIA). In considering the Appeal, the DOE found that the BPA properly withheld under Exemption 6 the home addresses of property owners to whom the BPA had written letters requesting the removal of items encumbering BPA easements on the addresses' land. In particular, the DOE found that there was substantial privacy interest in home addresses and there was no FOIA public interest, as defined by the Supreme Court, that would be served by release of the home addresses. However, because the DOE's practice is to release business addresses, the matter was remanded to BPA to ascertain and release business locations. The DOE also determined that the addressees in this case had no privacy interest justifying withholding of their names because there is no privacy interest in land ownership, in the fact of government contract, or in the name itself. In addition, to the extent that the properties are not home locations, the DOE determined that, in this case, there was no privacy interest in what was occurring on the land because the BPA did not allege that the property owners knew of or caused the encumbrances prior to the receipt of the letters. Accordingly, the Appeal was denied in part, granted in part, and remanded to BPA to release business addresses and the names of the addressees unless the properties are their residence or some other privacy interest is identified.

Personnel Security Hearing

Oakridge Operations Office, 3/12/96, VSO-0074

An Office of Hearings and Appeals Hearing Officer issued an opinion addressing the continued eligibility of an individual for access authorization under the provisions of 10 C.F.R. Part 710. After considering the record of the proceeding in view of the standards set forth in Part 710, the Hearing Officer found that the individual had used an illegal drug and lied to the Department of Energy when confronted with the results of a positive drug test. The Hearing Officer also found that the individual had not mitigated the security concerns raised by these actions. Accordingly, the Hearing Officer's opinion recommended that the individual's access authorization not be restored.

Refund Application

Texaco Inc./California Target Supply, Inc., 3/18/96, RF321-20877

The DOE issued a Decision and Order in the Texaco Inc. special refund proceeding concerning California Target Enterprises, Inc. (Target). Target operated 113 retail outlets during the refund period and purchased Texaco products both directly and indirectly. Target indirectly purchased Texaco products from Cook & Cooley, Inc. (C&C), and other suppliers. Because C&C had made a partially successful injury showing, Target was only eligible for a refund for its C&C purchases based on 42 percent of its regular gasoline purchases from that supplier, and was

not eligible for a refund based on purchases of any other types of petroleum products from that supplier. Further, Target submitted estimates of its gallonage during the refund period. The DOE rejected Target's estimates for the early portion of the refund period, since the DOE discovered Texaco volume records for that time period. As for the latter portion of the refund period, the DOE rejected Target's estimate, which used figures from all of 1981, in favor of an estimate that relied primarily on the volume for January 1981, the only month of that year in

which price and allocation controls were in effect. Thus, the DOE granted Target a refund of \$77,040, including interest.

Refund Applications

The Office of Hearings and Appeals issued the following Decisions and Orders concerning refund applications, which are not summarized. Copies of the full texts of the Decisions and Orders are available in the Public Reference Room of the Office of Hearings and Appeals.

Atlantic Richfield Company/Friendly Oil Co. et al	RF304-14244	03/22/96
Atlantic Richfield Company/Robert S. Long	RF304-15051	03/22/96
Avco Construction, Inc.	RK272-03272	03/18/96
B & O Railroad	RC272-0330	03/22/96
C & O Railroad	RC272-0331	
Gulf Oil Corporation/Ingram's Trucking Co. et al	RF300-15286	03/22/96
Gulf Oil Corporation/Melvin Fordham Store	RF300-13009	03/18/96
Gulf Oil Corporation/Rice's Grocery & Gulf Service	RR300-00274	03/22/96
J.J. Clement et al	RK272-2478	03/19/96
Rosalie Schlemmer et al	RK272-00835	03/18/96

Dismissals

The following submissions were dismissed:

Name	Case No.
Del Grego's Arco	RF304-15342
Farmers Union Co-op Association	RF272-85391
Georgina Jacobs	VFA-0126
Pittsburgh Naval Reactors Office	VSO-0080
Shultz Arco	RF304-15401
Tonka Products	RF272-78126

[FR Doc. 96-24121 Filed 9-19-96; 8:45 am]
BILLING CODE 6450-01-P

Notice of Issuance of Decisions and Orders From the Week of July 22 Through July 26, 1996

During the week of July 22 through July 26, 1996, the decision and order summarized below was issued with respect to an appeal filed with the Office of Hearings and Appeals of the Department of Energy. The following summary also contains a list of submissions that were dismissed by the Office of Hearings and Appeals.

Copies of the full text of these decisions and orders are available in the Public Reference Room of the Office of Hearings and Appeals, Room 1E-234, Forrestal Building, 1000 Independence

Avenue, S.W., Washington, D.C. 20585-0107, Monday through Friday, between the hours of 1:00 p.m. and 5:00 p.m., except federal holidays. They are also available in *Energy Management: Federal Energy Guidelines*, a commercially published loose leaf reporter system. Some decisions and orders are available on the Office of Hearings and Appeals World Wide Web site at <http://www.oha.doe.gov>.

Dated: September 10, 1996.
George B. Breznay,
Director, Office of Hearings and Appeals.

Decision List No. 982

Appeal

Richard Joslin, 7/22/96, VFA-0183

The OHA remanded on appeal a request to the Bonneville Power Administration (BPA) for information

concerning an investigation of allegedly improper acts by an official at BPA. BPA had withheld a responsive document in its entirety pursuant to Exemption 5 of the Freedom of Information Act. The OHA found that BPA had failed to consider whether the withheld document contained releasable material that could be reasonably segregated, and had failed to apply a foreseeable harm test to the withheld material.

Refund Applications

The Office of Hearings and Appeals issued the following Decisions and Orders concerning refund applications, which are not summarized. Copies of the full texts of the Decisions and Orders are available in the Public Reference Room of the Office of Hearings and Appeals.

Atlantic Richfield Company/Bippus Oil Co. et al	RF304-13423	07/26/96
Carolina Dairies Corp. et al	RF272-97820	07/23/96
Clark Oil & Refining Corp./Rasmussen Fuel Company, Inc.	RF342-203	07/22/96
Enron Corp./Barnard Oil Company, Inc.	RF340-42	07/23/96
Engel, Inc.	RF340-48	
Farmers Supply Cooperative et al	RF272-97887	07/24/96

Gulf Oil Corporation/Aluminum Co. of America	RF300-16770	07/23/96
Gulf Oil Corporation/Carl Hatton Butane Co	RF300-18514	07/26/96
Carl Hatton Butane Co	RF300-18792	
Gulf Oil Corporation/Jackson & Michael Gulf Service	RR300-00286	07/24/96
Gulf Oil Corporation/Rowan Street Gulf	RF300-13247	07/23/96
Hall County BD of Commissioners	RF300-20415	
Village of Baldwinsville	RF300-21671	
Town of Henrietta et al	RF272-95734	07/26/96
Whiteside FS, Inc. et al	RG272-200	07/22/96

Dismissals

The following submissions were dismissed:

Name	Case No.
Albuquerque Operations Office	VSA-0077
Caran Properties	RF272-97018
Caran Properties	RF272-97012
Caran Properties	RF272-97013
Caran Properties	RF272-97014
Caran Properties	RF272-97015
Caran Properties	RF272-97016
Caran Properties	RF272-97017
Ebon Research Systems	VFA-0191
Ellsworth-Williams	RG272-22
Farmers Union Coop Assn	RG272-333
United Truck & Bus Service Co	RF272-95145
Wheeling-Pittsburgh Steel Corp	RF272-77654

[FR Doc. 96-24122 Filed 9-19-96; 8:45 am]
BILLING CODE 6450-01-P

Notice of Issuance of Decisions and Orders From the Week of May 6 Through May 10, 1996

During the week of May 6 through May 10, 1996, the decisions and orders summarized below were issued with respect to appeals, applications, petitions, or other requests filed with the Office of Hearings and Appeals of the Department of Energy. The following summary also contains a list of submissions that were dismissed by the Office of Hearings and Appeals.

Copies of the full text of these decisions and orders are available in the Public Reference Room of the Office of Hearings and Appeals, Room 1E-234, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585-0107, Monday through Friday, between the hours of 1:00 p.m. and 5:00 p.m., except federal holidays. They are also available in *Energy Management: Federal Energy Guidelines*, a commercially published loose leaf

reporter system. Some decisions and orders are available on the Office of Hearings and Appeals World Wide Web site at <http://www.o.ha.doe.gov>.

Dated: September 10, 1996.

George B. Breznay,

Director, Office of Hearings and Appeals.

Decision List No. 971—Week of May 6 Through May 10, 1996

Appeal

William H. Payne, 5/6/96, VFA-0148

William H. Payne (Appellant) filed an Appeal of a Determination issued to him by the Department of Energy (DOE) in response to a request under the Freedom of Information Act (FOIA) and the Privacy Act. In its Determination, the Office of Contractor Employee Protection (OCEP) redacted a DOE employee's name from one document and withheld another document entirely, including its author's name, under Exemption 6 of the FOIA. The OHA first determined that OCEP correctly handled the case exclusively under the FOIA, since the documents at issue were never in a Privacy Act "system of records." The OHA then

concluded that Exemption 6 did not protect the material withheld by OCEP. The material was not the type of personal information usually protected by Exemption 6, nor would release of the material subject anyone to the type of harm with which Exemption 6 is concerned. Accordingly, the DOE granted the Appeal and remanded the matter to OCEP for further action.

Request For Exception

O'BRIEN OIL COMPANY, 5/7/96 LEE-0013, LEE-0138

O'Brien Oil Company filed two Applications for Exception from the requirement that it file Form EIA-782B, the "Reseller/Retailer's Monthly Petroleum Product Sales Report." The DOE found that the firm was not affected by the reporting requirement in a manner different from other similar firms, and consequently was not experiencing a special hardship, inequity, or unfair distribution of burdens. Accordingly, the firm's Applications for Exception were denied.

Refund Applications

The Office of Hearings and Appeals issued the following Decisions and Orders concerning refund applications, which are not summarized. Copies of the full texts of the Decisions and Orders are available in the Public Reference Room of the Office of Hearings and Appeals.

Carl R. Bieber, Inc	RF272-97805	05/06/96
Crude Oil Supple Ref Dist	RB272-00073	05/06/96
Crude Oil Supple Ref Dist	RB272-00071	05/06/96

Crude Oil Supply Ref Dist	RB272-00070	05/10/96
Daniel R. Hanson, Sr.	RJ272-11	05/07/96
Gulf Oil Corporation/Carter Limited, Inc. et al	RF300-15031	05/10/96
I.A. Construction Co	RK272-03515	05/07/96
I.A. Construction Co	RC272-00339 .....	.....
Ioerger Brothers et al	RK272-01072	05/10/96
Pacos Carrier, Inc	RF272-69902	05/08/96
Sawyer Drilling & Service, Inc et al	RK272-3386	05/08/96
Streckfus Steamers, Inc et al	RF272-90914	05/10/96
Texaco Inc./Chuck Dahlem Texaco Service	RR321-195	05/10/96
Williams & Young Construction Company et al	RK272-2939	05/07/96

Dismissals

The following submissions were dismissed:

Name	Case No.
Boise Cascade Corporation	RF272-97841
COM/Energy Services Company	RF300-19895
The Cincinnati Enquirer	VFA-0152

[FR Doc. 96-24123 Filed 9-19-96; 8:45 am]
BILLING CODE 6450-01-P

Notice of Issuance of Decisions and Orders From the Week of July 29 Through August 2, 1996

During the week of July 29 through August 2, 1996, the decisions and orders summarized below were issued with respect to appeals, applications, petitions, or other requests filed with the Office of Hearings and Appeals of the Department of Energy. The following summary also contains a list of submissions that were dismissed by the Office of Hearings and Appeals.

Copies of the full text of these decisions and orders are available in the Public Reference Room of the Office of Hearings and Appeals, Room 1E-234, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, Monday through Friday, between the hours of 1:00 p.m. and 5:00 p.m., except federal holidays. They are also available in *Energy Management: Federal Energy Guidelines*, a commercially published loose leaf reporter system. Some decisions and orders are available on the Office of Hearings and Appeals World Wide Web site at <http://www.oha.doe.gov>.

Dated: September 10, 1996.

George B. Breznay,
Director, Office of Hearings and Appeals.

Decision List No. 983

Appeals

Association of Public Agency Customers, 8/1/96, VFA-0174

The Association of Public Agency Customers (Appellant) filed an Appeal of a Determination issued to it by the Department of Energy (DOE) in response to a request under the Freedom of

Information Act (FOIA) concerning documents related to power service contracts. In its Determination, Bonneville Power Administration (BPA) stated that, after release of several installment responses, it was discontinuing processing of the Appellant's request due to nonpayment of search and review costs. The Appellant appealed by challenging the amount of search and review fees it had been assessed. The Office of Hearings and Appeals (OHA) determined that DOE did not violate the FOIA either by failing to fully respond to the request in ten working days or by responding in installments. OHA further found that the amounts charged for search and review time were not exorbitant. However, the OHA found that BPA had incorrectly charged the Appellant the cost of the photocopier operator's time. The OHA also determined that DOE had not disregarded the Appellant's request not to be supplied with documents already located in the administrative record of six legal cases involving BPA. OHA also found the documents released by BPA to be responsive. Finally, the OHA found that because the response had not been completed, the Appellant was not entitled to a "privilege log." Accordingly, the DOE granted the Appeal in part because it ordered BPA to reduce its fees to the Appellant by the amount of the incorrect charges, but denied the Appeal in all other respects.

U.S. Solar Roof, 7/31/96, VFA-0180, VFA-0181

U.S. Solar Roof filed an Appeal from a determination issued to it by the Acting Deputy Assistant Secretary for Energy Efficiency and Renewable Energy (EE) of the Department of Energy (DOE) in response to two Requests for Information submitted under the Freedom of Information Act. In

considering the Appeal, the DOE found that in the first request, there was no evidence that the meetings for which U.S. Solar Roof had requested documents took place. Thus, there were no documents responsive to U.S. Solar Roof's request. Accordingly, Appeal No. VFA-0180 was denied. In its second request U.S. Solar Roof had not yet received a determination. In such cases, the Office of Hearings and Appeals (OHA) lacks jurisdiction to consider the Appeal. However, OHA consulted with EE which stated it would undertake an expeditious search for responsive records and respond directly to U.S. Solar Roof. Accordingly, Appeal No. VFA-0181 was dismissed.

Personnel Security Hearings

Albuquerque Operations Office, 7/29/96, VSO-0085

An Office of Hearings and Appeals Hearing Officer issued an opinion concerning the continued eligibility of an individual for access authorization under 10 CFR Part 710. The individual admitted using illegal drugs and violating a DOE Drug Certification. See 10 CFR 710.8 (k) and (l). The individual presented insufficient evidence that 1) the use of cocaine was an isolated occurrence; (2) there were extenuating circumstances surrounding this drug use; and (3) he has been rehabilitated. As the individual failed to meet his burden of proving the existence of mitigating circumstances, the Hearing Officer found that the individual's security clearance should not be restored.

Schenectady Naval Reactors Office, 7/30/96, VSO-0090

An OHA Hearing Officer issued an opinion concerning the continued eligibility of an individual for access authorization under 10 CFR Part 710, entitled "Criteria and Procedures for Determining Eligibility for Access Authorization to Classified Matter or Special Nuclear Material." The Schenectady Naval Reactors Office (SNR) had suspended the individual's access authorization based on the individual's drug use and financial problems. The Hearing Officer found the individual had not produced evidence that would mitigate those security concerns. Accordingly, the Hearing Officer found that the individual's access authorization should not be restored.

Request for Exception

Middleton Oil Company, Inc., 7/30/96, VEE-0025

Middleton Oil Company, Inc. (Middleton) filed an Application for Exception from the Form EIA-782B monthly filing requirement. In considering Middleton's request OHA determined that the company was significantly more burdened by the filing requirement than were other similarly situated companies due to the long-term illness and recent death of Middleton's owner, coupled with the extremely small office staff employed by

the company. Accordingly, DOE granted exception relief for the term of one year, from July 1, 1996 to July 1, 1997.

Refund Applications

A.C.B. Trucking, Inc., 7/30/96, RF272-97874

The DOE issued a Decision and Order denying the Application for Refund on behalf of A.C.B. Trucking, Inc. (A.C.B.), filed in the crude oil proceeding. Prior to the filing of A.C.B.'s Application, A.C.B. had applied for a refund from the Surface Transporters' Escrow in the Stripper Well proceeding. After the DOE was told in 1987 that A.C.B.'s owner-operators had purchased their own fuel, and A.C.B. had itself purchased less than 250,000 gallons, the DOE found A.C.B. ineligible for a Surface Transporters' refund. In A.C.B.'s 1994 Subpart V crude oil refund, the applicant claimed that there had been a miscommunication regarding its Surface Transporters' application, and that A.C.B. had actually purchased all fuel its trucks consumed, including its owner-operators' trucks. In its Decision and Order, the DOE determined that because A.C.B. had now proved that it had bought more than 250,000 gallons, it had been eligible for a Surface Transporters' refund. Thus, because the applicant's Stripper Well waiver was effective, the DOE denied A.C.B.'s

Subpart V refund application. Further, the DOE could not approve a reopening of the Surface Transporters' proceeding, as that proceeding is long closed, and the applicant failed to present any adequate reason why it failed to submit a Motion for Reconsideration in that proceeding earlier.

Stillman Management, et al., 8/2/96, RG272-1006, ET AL.

The Office of Hearings and Appeals of the Department of Energy (DOE) issued a Decision and Order dismissing thirteen Applications for Refund submitted in the crude oil overcharge refund proceeding conducted under 10 CFR Part 205, Subpart V. The claims were dismissed because they were filed after the deadline for submitting applications. As published in the Federal Register on April 21, 1995, all applications were to be postmarked by June 30, 1995.

Refund Applications

The Office of Hearings and Appeals issued the following Decisions and Orders concerning refund applications, which are not summarized. Copies of the full texts of the Decisions and Orders are available in the Public Reference Room of the Office of Hearings and Appeals.

Carlisle Companies, Inc. et al	RK272-03616	07/29/96
Gulf Oil Corporation/Britton Oil Company	RF300-14549	08/01/96
Hobart Brothers Company et al	RF272-78618	08/01/96
Sea-Land Service, Inc	RG272-00961	08/01/96

Dismissals

The following submissions were dismissed:

Name	Case No.
Balair/CTA	RG272-810
Barry Cartage, Inc	RF272-95298
Foskett School Bus Service	RG272-938
Givaudan-Roure Corporation	RG272-531
Givaudan-Roure Corporation	RG272-857
Harry Robertson's Gulf Agency	RF300-21418
Merichem Company	RG272-856
Mobil Cab & Baggage Co., Inc	RF272-95226
Mutual Materials Company	RG272-881
New York State Electric & Gas Corporation	RG272-828
R.A. Hamilton Corporation	RG272-817
Southwestern Public Service Co	RF272-95116
Spence, Moriarty, & Schuster	VFA-0190

[FR Doc. 96-24125 Filed 9-19-96; 8:45 am]
BILLING CODE 6450-01-P

Notice of Issuance of Decisions and Orders From the Week of October 9 Through October 13, 1995

During the week of October 9 through October 13, 1995, the decisions and

orders summarized below were issued with respect to appeals, applications, petitions, or other requests filed with the Office of Hearings and Appeals of the Department of Energy. The following summary also contains a list of submissions that were dismissed by the Office of Hearings and Appeals.

Copies of the full text of these decisions and orders are available in the Public Reference Room of the Office of Hearings and Appeals, Room 1E-234, Forrestal Building, 1000 Independence Avenue SW., Washington, DC 20585-0107, Monday through Friday, between the hours of 1:00 p.m. and 5:00 p.m., except federal holidays. They are also

available in *Energy Management: Federal Energy Guidelines*, a commercially published loose leaf reporter system. Some decisions and orders are available on the Office of Hearings and Appeals World Wide Web site at <http://www.oha.doe.gov>.

Dated: September 10, 1996.

George B. Breznay,
Director, Office of Hearings and Appeals.

Decision List No. 941

Appeals

Henry, Lowerre, Johnson, Hess & Frederick, 10/11/95, VFA-0079

Henry, Lowerre, Johnson, Hess & Frederick filed an Appeal from a determination issued by the Department of Energy's Albuquerque Operations Office (DOE-AL). The firm requested copies of documents related to the Falls City, Texas Uranium Mill Tailings Remedial Action site. In considering the Appeal, the Office of Hearings and Appeals found that since two offices which might contain responsive information were not searched, the search performed by DOE-AL was not adequate. Accordingly, the Appeal was remanded to DOE-AL to perform a search of two offices for responsive documents.

William H. Payne, 10/10/95, VFA-0076

William H. Payne filed an Appeal from a determination issued by the Department of Energy's Albuquerque Operations Office (DOE-AL) in response to a request from Mr. Payne under the Freedom of Information Act (FOIA). Mr. Payne sought documents showing the employment dates and names of all retired military personnel who were hired by Sandia National Laboratories

between 1979 and 1995. In considering the Appeal, the Office of Hearings and Appeals found that DOE-AL did not perform an adequate search that was reasonably calculated to uncover responsive documents. Accordingly, the Appeal was remanded to DOE-AL for a new search for responsive documents.

Personnel Security Hearings

Albuquerque Operations Office, 10/10/95, VSO-0031

An Office of Hearings and Appeals Hearing Officer issued an opinion under 10 CFR Part 710 concerning the continued eligibility of an individual for access authorization. After considering the testimony at the hearing and all other information in the record, the Hearing Officer found that the individual was a habitual user of alcohol to excess and that the diagnosis of a board-certified psychiatrist that the individual was alcohol-dependent was undisputed. The Hearing Officer also found that the individual had failed to present sufficient evidence of rehabilitation or reformation. Moreover, the Hearing Officer found that the individual had failed to mitigate the security concerns surrounding his use of cocaine. In particular, the Hearing Officer found that the individual's use of cocaine was inextricably intertwined with the individual's alcohol use and that since the individual was not rehabilitated or reformed from his alcohol use there was a danger that the individual would again use cocaine. Accordingly, the Hearing Officer recommended that the individual's clearance should not be restored.

Albuquerque Operations Office, 10/13/95, VSO-0036

A Hearing Officer recommended that access authorization not be restored to an employee whose access was suspended due to evidence of alcohol abuse and criminal behavior. The Hearing Officer found the employee had not shown sufficient evidence of rehabilitation from alcohol abuse or reformation from violent criminal behavior to mitigate valid security concerns.

Albuquerque Operations Office, 10/10/95, VSO-0042

An Office of Hearings and Appeals Hearing Officer issued an opinion addressing the continued eligibility of an individual for access authorization under the provisions of 10 CFR Part 710. After considering the record of the proceeding in view of the standards set forth in Part 710, the Hearing Officer found that the Albuquerque Operations Office of the DOE had presented sufficient evidence to show that the individual was a user of alcohol habitually to excess. The Hearing Officer also found that the individual had submitted no evidence of rehabilitation or reformation to mitigate the security concerns of the DOE. Accordingly, the Hearing Officer's opinion recommended that the individual's access authorization not be restored.

Refund Applications

The Office of Hearings and Appeals issued the following Decisions and Orders concerning refund applications, which are not summarized. Copies of the full texts of the Decisions and Orders are available in the Public Reference Room of the Office of Hearings and Appeals.

City-Elite Laundry Company	RK272-266	10/13/95
Thrift Transfer Inc	RK272-267	.....
Warner & Smith Motor Freight	RK272-268	.....
Farmers Union Oil Co. et al	RF272-86740	10/12/95
John A. Allison et al	RK272-13	10/13/95
Severance Truck Line	RF272-78468	10/11/95
U.S. Army Corps of Engineers	RF272-30444	10/13/95

Dismissals

The following submissions were dismissed:

Name	Case No.
Albuquerque Operations Office	VSO-0055
Christman Air System	RF272-98762
Global Van Lines Co	RF272-89513
Gray Lines of Reno	RF272-89130
Howard Bush's Texaco #1	RF321-10623
Jeffrey R. Leist	LFA-0083
Keith E. Loomis	VFA-0080
Motor Coach Speciality	RF272-89131
National Marine Service, Inc	RF321-19956
Pine Eagle Farmers Coop	RF272-86664
Service Trucking, Inc	RF272-89163

Name	Case No.
Waite, Schneider, Bayless, & Chesley Co., L.P.A	VFA-0077

[FR Doc. 96-24126 Filed 9-19-96; 8:45 am]

BILLING CODE 6450-01-P

ENVIRONMENTAL PROTECTION AGENCY

[ER-FRL-5473-2]

Environmental Impact Statements; Notice of Availability

Responsible Agency: Office of Federal Activities, General Information (202) 564-7167 OR (202) 564-7153.

Weekly receipt of Environmental Impact Statements Filed September 09, 1996 Through September 13, 1996 Pursuant to 40 CFR 1506.9.

EIS No. 960426, Final EIS, FRC, MI, Thunder Bay River Hydroelectric Project (FERC No. 2404) and Hillman Dam Project (FERC No. 2419) Application for New License, Alpena, Montmorency, Alcona, Preque Isle and Oscada Counties, MI, Due: October 21, 1996, Contact: Patrick K. Murphy (202) 219-2659.

EIS No. 960427, Final EIS, NPS, NM, Carlsbad Caverns National Park General Management Plan, Implementation, Eddy County, NM, Due: October 21, 1996, Contact: Frank Deckert (505) 785-2232 x321.

EIS No. 960428, Final Supplement, USA, CA, Fort Ord Disposal and Reuse Installation, Implementation, Additional Information, Establishment of Presidio of Monterey (POM) (Annex), Cities of Marina and Seaside, Monterey County, CA, Due: October 21, 1996, Contact: Bob Verkade (916) 557-7423.

EIS No. 960429, Draft EIS, FAA, CA, Metropolitan Oakland International Airport (MOIA), Airport Development Program (ADP), Airport Layout Plan Approval, Funding and COE Section 404 and 10 Permits Issuance, Port of Oakland, Alameda County, CA, Due: November 21, 1996, Contact: Elisha Novak (415) 876-2928.

EIS No. 960430, Draft EIS, AFS, WY, ID, Targhee National Forest Plan Oil and Gas Leasing Analysis, Implementation, Bonneville, Butte, Clark, Fremont and Madison Counties, ID and Teton County, WY, Due: November 04, 1996, Contact: John Pruess (208) 624-3151.

EIS No. 960431, Final EIS, FHW, PA, US 22 (S.R. 0022—Section C02) Highway Improvement, US 22 west of the Strodes Mills Area to US 322 near Lewistown. Funding and COE Section 404 Permit Issuance, Mifflin County,

PA, Due: October 21, 1996, Contact: Manuel A. Marks (717) 787-2222.

EIS No. 960432, Final Supplement, GSA, WA, Pacific Highway Port of Entry (POE) Facility Expansion, Updated Information, Construction of WA-543 in Blaine, near the United States/Canada Border in Blaine, Whatcom County, WA, Due: October 21, 1996, Contact: Donna Meyer (206) 931-7675.

EIS No. 960433, Final EIS, FHW, OH, Putnam Street Bridge Replacement across the Muskingum River, Construction and Funding, Marietta, Washington County, OH, Due: October 21, 1996, Contact: William Jones (614) 469-5877.

EIS No. 960434, Draft EIS, NOA, AK, Juneau Consolidated Facility, Implementation, Fisheries Management Operation, 'Vision for 2005', Juneau, AK, Due: November 04, 1996, Contact: John Gorman (907) 586-7641.

Dated: September 17, 1996.

William D. Dickerson,

Director, NEPA Compliance Division, Office of Federal Activities.

[FR Doc. 96-24204 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-U

[ER-FRL-5473-3]

Environmental Impact Statements and Regulations; Availability of EPA Comments

Availability of EPA comments prepared September 2, 1996 Through September 6, 1996 pursuant to the Environmental Review Process (ERP), under Section 309 of the Clean Air Act and Section 102(2)(c) of the National Environmental Policy Act as amended. Requests for copies of EPA comments can be directed to the Office of Federal Activities at (202) 260-5076.

An explanation of the ratings assigned to draft environmental impact statements (EISs) was published in FR dated April 5, 1996 (61 FR 15251).

Draft EISs

ERP No. D-AFS-K61143-CA—Rating LO, Emigrant Wilderness Management Direction, Implementation, Stanislaus National Forest, Tuolumne County, CA.

Summary: EPA expressed lack of objections to the action as proposed.

ERP No. D-FAA-K51036-HI—Rating EC2, Kahului Airport Master Plan Improvements, Implementation, Funding and Approval of Permits, Kahului, Maui County, HI.

Summary: EPA expressed environmental concerns due to a lack of mitigation to offset or reduce potential adverse impacts and a lack of pollution prevention features in the DEIS. EPA recommended that the FEIS contain commitments to implement water conservation, hazardous waste minimization and solid waste recycling.

ERP No. D-FHW-E40770-FL—Rating EC2, Port of Miami Tunnel and Access Improvements, from I-395 via MacArthur Causeway Bridge, Dade County, FL.

Summary: EPA's review found that sediment resuspension during tunnel dredging activities could degrade water quality unless adequate safeguards are employed. EPA also expressed concerns that details of a wetland mitigation plan were lacking.

ERP No. D-FHW-K40217-CA—Rating EO2, Arden Garden Connector Project, Arden Way in North Sacramento to Garden Highway in South Natomas across the Natomas East Main Drainage Canal, Funding, Sacramento County, CA.

Summary: EPA expressed environmental objections due to potential air quality, water quality, hazardous materials, and cumulative effects of the project. EPA requested that these issues be fully discussed in the final EIS.

ERP No. D-FHW-K40218-CA—Rating EO2, I-805 Nobel Drive Interchange and Extension Project, Improvements, between Nobel Drive and Miramar Road/LaJolla Village Drive and the extension of Nobel Drive from Shoreline Drive to Miramar Road, in the City of San Diego, San Diego County, CA.

Summary: EPA expressed environmental objections due to potential impacts to biological and water resources. EPA requested that these issues be addressed in the final EIS.

ERP No. D-FHW-K40219-CA—Rating EC2, U.S. Highway 101 Transportation Improvement Project, between Vineyard Avenue to Johnson Drive, Funding, in the Cities of Oxnard and San Buenaventura, Ventura County, CA.

Summary: EPA expressed environmental concerns regarding potential impact to anadromous fish, and a need to specifically address pollution prevention. EPA requested that these issues be discussed in more detail in the final EIS.

ERP No. D-GSA-K81023-NV—Rating LO, Las Vegas Federal Building—United

States Courthouse Site Selection and Construction, Central Business District, City of Las Vegas, Clark County, NV.

Summary: EPA stated a lack of objections, but did suggest that the final EIS include more detailed discussion of mitigation measures required under Executive Order 12902—Energy Efficiency and Water Conservation at Federal Facilities.

ERP No. D-IBR-J64006-ND—Rating EC2, Arrowwood National Wildlife Refuge, Implementation, Water Management Capability to Mitigate for Past, Present and Future Impacts of Jamestown Reservoir, Stutsman and Foster Counties, ND.

Summary: EPA expressed environmental concerns over the need for an improved analysis of alternatives, as well as the potential impacts to water quality and compliance with State water quality standards.

ERP No. D-USA-K11072-CA—Rating EC2, Camp Roberts Army National Guard Training Site, Implementation, Combined-Forces Training Activities, New Equipment Utilization and Range Modernization Program, Monterey and San Luis Obispo Counties, CA.

Summary: EPA expressed environmental concerns due to a lack of an appropriate examination of Fort Hunter Liggett—an off-site alternative location, consistent application of significance standards and a full assessment of noise-related impacts. EPA requested that these issues be fully disclosed in the final EIS.

ERP No. D-USA-K11073-AZ—Rating EC2, Western Army National Guard Aviation Training Site Expansion Project, Designation of an Expanded Tactical Flight Training Area (TFTA), Development or use of a Helicopter Gunnery Range and Construction and Operation of various Facilities on the Silver Bell Army Heliport (SBAH), Maricopa, Pima and Pinal Counties, AZ.

Summary: EPA expressed environmental concerns due to potential impacts to water, and biological resources. EPA requested that these issues be clarified in the final EIS.

ERP No. D-USN-K11070-CA—Rating EO2, Naval Station Long Beach Disposal and Reuse, Implementation, COE Section 10 and 404 Permits Issuance and Possible NPDES Permit Issuance, Los Angeles County, CA.

Summary: EPA expressed environmental objections due to potential air quality effects; biological resources effects; and, dredging issues. EPA requested that these issues be clarified in the final EIS.

ERP No. DS-COE-E34002-00—Rating EC2, Lake Seminole Hydrilla Action Plan Updated Information to the Lake

Seminole and Jim Woodruff Lock and Dam, Operation and Maintenance Project, Implementation, Gadsden and Jackson Counties, FL; Decatur and Seminole Counties, GA and Houston County, AL.

Summary: EPA expressed environmental concerns over the long-term effects of using enclosed grass carp to reduce Hydrilla coverage. Additional information and monitoring will be necessary to address these questions.

ERP No. DS-FHW-K40163-CA—Rating EO2, CA-238 Hayward Bypass, from Industrial Parkway to the CA-238/I-580 Interchange, Funding and COE Section 404 Permit, (Foothill Boulevard thru downtown Hayward and Mission Boulevard south of Jackson Street, in the City of Hayward and in Unincorporated areas of Alameda County, CA.

Summary: EPA expressed environmental objection due to potential air quality and water quality impact. EPA believed that there are other options and alternatives available that address the stated purpose and need and have fewer/less environmental impacts. EPA requested that the next EIS include a wider range of alternatives.

ERP No. DS-FHW-K40166-HI—Rating EC2, Honapiilani Highway/FAP Route 30 Improvement, New Information Concerning Construction of Modifications to Honapiilani Highway from Puamana to Honokowai, COE Permits and NPDES Permit Issuance and Funding, Lahaina District, Maui County, HI.

Summary: EPA expressed environmental concerns with the project and asked FHWA to provide more information regarding alternatives analysis, cumulative impacts, and water quality.

Final EISs

ERP No. F-IBR-J39023-MT—Tongue River Basin Project, Implementation, Tongue River Dam and Reservoir, COE Section 404 Permit, Bighorn County, MT.

Summary: EPA expressed environmental concerns that existing marginal aquatic habitat conditions would be further degraded under projected future water development scenarios. EPA asked that a commitment for establishment of an instream flow lease agreement and minimal reservoir pool levels be included in the Record of Decision. EPA also expressed concerns about impacts to wetlands and mitigation of wetlands impacts.

ERP No. F-IBR-K39053-CA—South Bay Water Recycling Program (SBWRP), Development and Construction, Funding and COE Section 404 Permit,

Golden Triangle Area, City of San Jose, Santa Clara County, CA.

Summary: Review of the Final EIS was not deemed necessary. No formal comment letter was sent to the preparing agency.

ERP No. FS-COE-E32192-NC—Wilmington Harbor Channel Widening and Navigation Improvement, Updated Information, Cape Fear River, Port of Wilmington, New Hanover and Brunswick Counties, NC.

Summary: EPA's original concerns about the potential adverse impacts associated with use of explosives to excavate the enlarged channel have been satisfactorily addressed.

Dated: September 17, 1996.

William D. Dickerson,
Director, NEPA Compliance Division, Office of Federal Activities.

[FR Doc. 96-24205 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-U

[FRL-5610-8]

FY 1996 Community/University Partnership Grants Awardees

The Environmental Protection Agency's Office of Environmental Justice has completed its review of the one hundred and two applications submitted under the Community/University Partnership (CUP) Grants Program. Nine projects were selected for awards, totaling two million dollars. The following is a list of the awarded projects.

University of Washington

Asian and Pacific Islander Seafood Consumption Study—\$205,316

The purpose of this project is to improve the health and environmental quality of Asian Pacific Islanders in the Seattle/Puget Sound area by empowering the local community with information they can use to develop their own awareness and agenda to address environmental problems. The specific aims of the project are to document seafood consumption by surveying communities using culturally sensitive outreach tools, to work with community leaders to develop outreach models, to develop culturally appropriate and effective risk communication materials, and to document the consumption rates and patterns in these communities.

Haskell Indian Nations University

Community/University Partnership for Native American Science Education and Technical Support—\$220,320

The purpose of this project is to address water quality concerns of the

Prairie Band Potawatomi Tribe and Kickapoo Tribe. The goals of the project are to assess the sources and extent of water contamination, seek compliance with existing water quality standards, and create a remediation plan to resolve the water quality problems. Practical hands-on workshops on the various water quality problems will be provided for members of affected Indian communities. In addition, efforts will be made to bring together both Indian and non-Indian landowners to build consensus on a water contamination remediation plan.

University of Texas at El Paso
The UTEP/UT at Houston School of
Public Health in El Paso
Community Partnership Program
for EJ . . .—\$250,000

This project is a collaborative effort involving Adults and Youth United Development (AYUD), a community-based organization serving residents of the colonias, and two universities located on the U.S.-Mexico border. The purpose of this project is to address the local environmental justice issues by creating an environment where local community groups can have the same input as any other constituency into the processes of developing environmental policies and enforcing environmental regulations. This goal will be achieved through enhancing the community's understanding of data and environmental risks, training community members in accessing information systems and conducting workshops between government personnel and community representatives. Issues to be addressed include safe potable water, wastewater treatment and health related problems.

North Carolina Central University
Partnership Effort for the
Advancement of Children's
Health—\$249,404

The purpose of this project is reduce lead exposure in houses located in the North/East Central Durham area. The Partnership Effort for the Advancement of Children's Health (PEACH), a coalition with representatives from the community and the health education, environmental science and medical professions, will provide leadership for this project. The goals of the project are to identify and improve the condition of houses where lead poisoning problems are most acute, use effective dialogue to mediate contacts between community, environmental agencies, and state and local programs involved in the reduction of lead poisoning, and generate a plan for collection, interpretation, and presentation of the data from this project to all

stakeholders, including the State of North Carolina.

Hostos Community College
Community Access Geographic
Information System (GIS) for EJ
Initiatives in the South Bronx—
\$77,977

The purpose of this project is to develop a community-access geographic information system (GIS) for environmental justice initiatives in the South Bronx area. The partners will develop a state of the art GIS laboratory and conduct an environmental assessment of baseline conditions in the Bronx. To ensure appropriate access to this GIS, the partners will seek to establish GIS capability in the Bronx community district offices, public libraries, and pilot some systems in a few high schools. Training will be provided to residents on a regular basis.

Arizona State University
EJ Partnership Project: Reservation
Environmental Assessment
Project—\$249,999

This project seeks to utilize the Reservation Environmental Assessment Project (REAP), a program designed to instruct and educate Indian community representatives about specific problems affecting their communities through both classroom and hands-on techniques. The education will focus on lead in paint, drinking water, soils, and incidental pesticides in soils, surface water and foods. The Camp Verde and Colorado River reservations will receive on-site environmental assessments and will be assisted in the development of remediation strategies.

Columbia University in the City of New York

The Northern Manhattan
Environmental Justice Partnership
to Develop Environmental Health
Leadership—\$244,920

The purpose of this project is to inform and empower residents in three urban communities (Central & West Harlem and Washington Heights) about the excessive levels of airborne particulate matter and carbon monoxide from heavy car, bus, and truck traffic as well as other environmental pollutants. The goals of the project are to facilitate meaningful communication between community residents and environmental health researchers, provide environmental health leadership training for residents, utilize GIS as an effective education tool, and intervene and reduce exposure to environmental toxins.

Xavier University of Louisiana
A Community Lead Education
Project—\$250,000

Xavier University is in partnership with ten parishes along the Mississippi River between Baton Rouge and New Orleans to address lead exposure. The goals of the project are to conduct studies on the toxicology and epidemiology of environmental hazards related to lead and on the socioeconomic impact of lead exposures, develop community-based education/communication programs capable of responding to the specific needs of lead impacted communities, and develop environmental education curricula that emphasize lead poisoning prevention in teacher training and classroom materials.

University of Missouri-St. Louis
St. Louis Metropolitan EJ

Empowerment Project—\$248,098

The purpose of this project is to address the environmental justice problems in the St. Louis area through the development of strategies focusing on local community involvement and empowerment. The goals of the project are to improve communication and coordination through the establishment of an Environmental Justice Advisory Board, provide expert consultants to advise residents, enhance opportunities for scientific analysis through participation in roundtables with universities, develop plans for community work in each neighborhood, and compile and disseminate environmental justice information to affected communities. Each neighborhood team will focus on strategies for environmental improvement, clean-ups and reuse of local properties.

Dated: September 12, 1996.

Clarice E. Gaylord,

Director, Office of Environmental Justice.

[FR Doc. 96-24198 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-P

[FRL-5612-4]

Common Sense Initiative Council, Printing Sector Subcommittee Meeting; Open Meeting

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of open meeting of the Public Advisory Common Sense Initiative Council, Printing Sector Subcommittee.

SUMMARY: Pursuant to the Federal Advisory Committee Act, Public Law 92-463, notice is hereby given that, pending resolution of EPA's FY 1997 appropriation, the Printing Subcommittee of the Common Sense Initiative Council (CSIC) will meet

October 7, 1996, in Washington, DC. All meetings are open to the public. Seating at meetings will be on a first-come basis. Limited time will be provided for members of the public wishing to make an oral presentation or comments at the Subcommittee meeting.

PURPOSE: Notice is hereby given that the Environmental Protection Agency, pending resolution of its FY 1997 appropriation, is holding an open meeting of the Printing Sector Subcommittee on Monday, October 7, 1996. The meeting will be held at the St. James Hotel, 950 24th Street, N.W., Washington, DC., telephone number 202-457-0500 or 800-852-8512. The meeting will begin at approximately 9:00 a.m., EDT and run until approximately 5:00 p.m., EDT. Part of the day will be devoted to workgroup meetings and part to plenary session. The Workgroups will also meet the following day, October 8, from approximately 9:00 a.m. EDT to 5:00 p.m. EDT. All meetings will be held at the St. James Hotel.

The Printing Sector Subcommittee anticipates having discussions led by the Permitting Workgroup and the New York City Education Project Workgroup. Discussions will focus on the progress that each group has made to date as well as planned future actions in support of their existing workplans. In the Workgroup meetings, the Permitting Workgroup will discuss next steps in defining the components of a multi-media permitting system applicable to all size printers. The New York City Education Project will discuss planned community outreach sessions and technical assistance workshops to facilitate pollution prevention efforts among printers in New York City.

INSPECTION OF SUBCOMMITTEE

DOCUMENTS: Documents relating to the above topics will be publicly available at the meeting. Thereafter, these documents and the minutes of the meeting will be available for public inspection in room 2821M of EPA Headquarters, 401 M Street, S.W., Washington, DC 20460, telephone number 202-260-7417. Common Sense Initiative information can be accessed electronically through contacting Katherine Brown at: brown.katherines@epamail.epa.gov.

FOR FURTHER INFORMATION CONTACT: For more information about and verification of this meeting, please contact Frank Finamore of EPA's Office of Enforcement and Compliance Assurance Program at 202-564-7039 in Washington, DC., or by e-mail on finamore.frank@epamail.epa.gov.

Dated: September 13, 1996.

Prudence Goforth,

Designated Federal Officer.

[FR Doc. 96-24200 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-P

[FRL-5612-5]

Science Advisory Board; Notification of Public Advisory Committee Meetings

Pursuant to the Federal Advisory Committee Act, Public Law 92-463, notice is hereby given that several committees of the Science Advisory Board (SAB) will meet on the dates and times described below. All times noted are Eastern Daylight Time. All meetings are open to the public. Due to limited space, seating at meetings will be on a first-come basis. For further information concerning specific meetings, please contact the individuals listed below. Documents that are the subject of SAB reviews are normally available from the originating EPA office and are not available from the SAB Office.

1. Ecological Processes and Effects Committee

The Ecological Processes and Effects Committee (EPEC) of the Science Advisory Board (SAB) will meet on October 8-9, 1996, at the Environmental Protection Agency's Waterside Mall Complex, 401 M Street, SW, Washington, DC 20460 in Room M2103. For convenient access, members of the public should use the EPA entrance next to the Safeway store. The meeting will begin at 8:30 a.m. on October 8 and 8:00 a.m. on October 9 and end no later than 5:00 p.m. on each day.

The main purpose of the meeting is to discuss ecological risks and risk ranking criteria as part of an SAB project to update the 1990 SAB report, *Reducing Risk: Setting Priorities and Strategies for Environmental Protection*. EPEC may also conduct general committee business, including briefings on upcoming review topics, agenda planning, and discussion of subcommittee activities.

Background

In a letter dated October 25, 1995, to Dr. Matanoski, Chair of the SAB Executive Committee, Deputy Administrator Fred Hansen charged the SAB to update its 1990 report, *Reducing Risk: Setting Priorities and Strategies for Environmental Protection*. Specifically, the charge is to: (1) develop an updated ranking of the relative risk of different environmental problems based upon explicit scientific criteria; (2) provide an assessment of techniques and criteria

that could be used to discriminate among emerging environmental risks and identify those that merit serious, near-term Agency attention; (3) assess the potential for risk reduction and propose alternative technical risk reduction strategies for the environmental problems identified; and (4) identify the uncertainties and data quality issues associated with the relative rankings. The project will be conducted by several SAB panels, including EPEC, working at the direction of an ad hoc Steering Committee established by the Executive Committee.

Single copies of *Reducing Risk* can be obtained by contacting the SAB's Committee Evaluation and Support Staff (1400), 401 M Street, SW, Washington, DC 20460, telephone (202) 260-8414, or fax (202) 260-1889. Members of the public desiring additional information about the meeting, including an agenda, should contact Ms. Constance Valentine, Staff Secretary, Science Advisory Board (1400F), US EPA, 401 M Street, SW, Washington, DC 20460, by telephone at (202) 260-6552, fax at (202) 260-7118, or via The INTERNET at: Valentine.Connie@EPAMAIL.EPA.GOV.

Anyone wishing to make an oral presentation at the meeting should contact Stephanie Sanzone, Designated Federal Official for EPEC, no later than 4:00 p.m., October 2, 1996, at (202) 260-6557 or via the Internet at Sanzone.Stephannie@epamail.epa.gov. The request should identify the name of the individual who will make the presentation and an outline of the issues to be addressed. At least 35 copies of any written comments to the Committee are to be given to Ms. Sanzone no later than the time of the presentation for distribution to the Committee and the interested public. See below for additional information on providing comments to the SAB.

2. Valuation Subcommittee (VS) of the Integrated Risk Project Committee (IRP)

The Valuation Subcommittee (Committee) of the Integrated Risk Project Committee (IRP) of the Science Advisory Board (SAB) will meet on October 15 and 16, 1996, from 8:30 a.m. to no later than 5:00 p.m. (Eastern Daylight Time) in Room 2103—Mall of the US EPA, 401 M Street SW, Washington, DC 20460. This meeting is open to the public, however, due to limited space, seating will be on a first-come basis. The purpose of the meeting is to continue Committee efforts in support of the larger IRP effort of the SAB.

Background—In a letter dated October 25, 1995, Deputy Administrator Fred

Hansen requested the SAB to update the assessment of environmental risks, priorities, and risk reduction opportunities contained in the 1990 SAB report, *Reducing Risk: Setting Priorities and Strategies for Environmental Protection* (EPA-SAB-EC-90-021). In subsequent discussions with the Deputy Administrator, the SAB has also agreed to provide insights on economic analysis of risk reduction options and ecosystem valuation. In summary, the current charge to the Valuation Subcommittee is to propose a new framework for assessing the value of ecosystems to humans, including ecological services and environmentally mediated health and quality of life values.

For Further Information—Single copies of the information provided to the Committee can be obtained by contacting Ms. Diana Pozun, Staff Secretary, Committee Operations Staff, Science Advisory Board (1400), US EPA, 401 M Street SW., Washington, DC 20460, telephone (202) 260-6552, fax (202) 260-7118, or Internet at: Pozun.Diana@EPAMAIL.EPA.GOV. Single copies of *Reducing Risk*, the report of the previous relative risk ranking effort of the SAB, can be obtained by contacting the SAB's Committee Evaluation and Support Staff (1400), 401 M Street, SW, Washington, DC 20460, telephone (202) 260-8414, or fax (202) 260-1889. Anyone wishing to make an oral presentation at the meeting must contact Mr. Thomas Miller, Designated Federal Official for the Valuation Subcommittee IRP, in writing no later than 4:00 p.m. (Eastern Daylight Time) October 8, 1996, at the above address, via fax (202) 260-7118, or via the Internet at: Miller.Tom@EPAMAIL.EPA.GOV. The request should identify the name of the individual who will make the presentation and an outline of the issues to be addressed. At least 35 copies of any written comments to the Committee are to be given to Mr. Miller no later than the time of the presentation for distribution to the Committee and the interested public. To discuss technical aspects of the meeting, please contact Mr. Miller by telephone at (202) 260-5886.

3. Environmental Economics Advisory Committee (EEAC) and the Economic Analysis Subcommittee (EAS) of the Integrated Risk Project (IRP)

The Environmental Economic Advisory Committee, sitting as the Economic Analysis Subcommittee of the Integrated Risk Project Committee (IRP) of the Science Advisory Board (SAB), will meet on October 18, 1996, from

8:30 a.m. to no later than 5:00 p.m. (Eastern Daylight Time) in Conference Room 3 North near the Washington Information Center (WIC), US EPA, 401 M Street SW, Washington, DC 20460. This meeting is open to the public, however, due to limited space, seating will be on a first-come basis. The purpose of the meeting is to continue Committee efforts in support of the larger IRP effort of the SAB.

Background—In a letter dated October 25, 1995, Deputy Administrator Fred Hansen requested the SAB to update the assessment of environmental risks, priorities, and risk reduction opportunities contained in the 1990 SAB report, *Reducing Risk: Setting Priorities and Strategies for Environmental Protection* (EPA-SAB-EC-90-021). In subsequent discussions with the Deputy Administrator, the SAB has also agreed to provide insights on economic analysis of risk reduction options. The current charge to the Economic Analysis Subcommittee is to explore and report on ways to assess the economic values associated with regulatory options that the agency often proposes in response to its statutory mandates for environmental protection.

For Further Information—Single copies of the information provided to the Subcommittee can be obtained by contacting Ms. Diana Pozun, Staff Secretary, Committee Operations Staff, Science Advisory Board (1400), US EPA, 401 M Street SW., Washington DC 20460, telephone (202) 260-6552, fax (202) 260-7118, or Internet at: Pozun.Diana@EPAMAIL.EPA.GOV. Single copies of *Reducing Risk*, the report of the previous relative risk ranking effort of the SAB, can be obtained by contacting the SAB's Committee Evaluation and Support Staff (1400), 401 M Street, SW, Washington, DC 20460, telephone (202) 260-8414, or fax (202) 260-1889. Anyone wishing to make an oral presentation at the meeting must contact Mr. Thomas Miller, Designated Federal Official for the Valuation Subcommittee IRP, in writing no later than 4:00 pm (Eastern Daylight Time) October 10, 1996, at the above address, via fax (202) 260-7118, or via the Internet at: Miller.Tom@EPAMAIL.EPA.GOV. The request should identify the name of the individual who will make the presentation and an outline of the issues to be addressed. At least 35 copies of any written comments to the Committee are to be given to Mr. Miller no later than the time of the presentation for distribution to the Committee and the interested public. To discuss technical aspects of the meeting, please contact

Mr. Miller by telephone at (202) 260-5886.

Providing Oral or Written Comments at SAB Meetings

The Science Advisory Board expects that public statements presented at its meetings will not be repetitive of previously submitted oral or written statements. In general, each individual or group making an oral presentation will be limited to a total time of ten minutes. For conference call meetings, opportunities for oral comment will be limited to no more than five minutes per speaker and no more than fifteen minutes total. Written comments (at least 35 copies) received in the SAB Staff Office sufficiently prior to a meeting date, may be mailed to the relevant SAB committee or subcommittee prior to its meeting; comments received too close to the meeting date will normally be provided to the committee at its meeting. Written comments may be provided to the relevant committee or subcommittee up until the time of the meeting.

Dated: September 12, 1996.

Donald G. Barnes,

Staff Director, Science Advisory Board.

[FR Doc. 96-24203 Filed 9-19-96; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL COMMUNICATIONS COMMISSION

Notice of Public Information Collections Being Reviewed by the Federal Communications Commission

September 12, 1996.

SUMMARY: The Federal Communications Commission, as part of its continuing effort to reduce paperwork burden invites the general public and other Federal agencies to take this opportunity to comment on the following information collection, as required by the Paperwork Reduction Act of 1995, Public Law 104-13. An agency may not conduct or sponsor a collection of information unless it displays a currently valid control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the Paperwork Reduction Act (PRA) that does not display a valid control number. Comments are requested concerning (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimate; (c) ways to enhance

the quality, utility, and clarify of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

DATES: Persons wishing to comment on this information collection should submit comments by November 19, 1996.

ADDRESSES: Direct all comments to Dorothy Conway, Federal Communications Commission, Room 234, 1919 M St., N.W., Washington, DC 20554 or via internet to dconway@fcc.gov.

FOR FURTHER INFORMATION CONTACT: For additional information or copies of the information collections contact Dorothy Conway at 202-418-0217 or via internet at dconway@fcc.gov.

SUPPLEMENTARY INFORMATION:

OMB Approval No.: 3060-0113.

Title: EEO Program Report.

Form No.: FCC 396.

Type of Review: Extension of an existing collection.

Respondents: Businesses or other for profit; not-for-profit institutions.

Number of Respondents: 6,000.

Estimate Hour Per Response: 3 hours per response.

Total Annual Burden: 18,000.

Needs and Uses: The Broadcast EEO Program Report (FCC Form 396) is a device that is used to evaluate a broadcaster's EEO program to ensure that they are making satisfactory efforts to comply with FCC's EEO requirements. FCC Form 396 is required to be filed at the time of renewal of license by all AM, FM, TV, Low Power TV and International stations with five or more full-time employees.

OMB Approval No.: 3060-0208.

Title: 73.1870 Chief Operators.

Form No.: N/A.

Type of Review: Extension.

Respondents: Businesses or other for profit; not-for-profit institutions.

Number of Respondents: 13,600.

Estimated Hour Per Response: 26.166 hours.

Total Annual Burden: 355,858 hours.

Needs and Uses: Section 73.1870 requires that the licensee of an AM, FM, or TV broadcast station designate a chief operator of the station. Section 73.1870(b)(3) requires that this designation must be in writing and posted at the transmitter site.

Agreements with chief operators serving on a contract basis must be in writing with a copy kept in the station files. Section 73.1870(c)(3) requires that the chief operator, or personnel delegated

and supervised by the chief operator, review the station records at least once each week to determine if required entries are being made correctly, and verify that the station has been operated in accordance with FCC rules and the station authorization. Upon completion of the review, the chief operator must date and sign the log, initiate any corrective action which may be necessary and advise the station licensee of any condition which is repetitive. The posting of the designation of the chief operator is used by interested persons to readily identify the chief operator. The review of the station records is used by the chief operator, and FCC staff in investigations, to assure that the station is operating in accordance with its station authorization and the FCC rules and regulations.

Federal Communications Commission

William F. Caton,

Acting Secretary.

[FR Doc. 96-23875 Filed 9-19-96; 8:45 am]

BILLING CODE 6712-01-P

FEDERAL DEPOSIT INSURANCE CORPORATION

Interest Rate Futures Contracts, Forward Contracts, and Standby Contracts; Rescission of Policy Statement

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Rescission of Policy Statement.

SUMMARY: As part of the FDIC's systematic review of its regulations and written policies under section 303(a) of the Riegle Community Development and Regulatory Improvement Act of 1994 (CDRI), the FDIC is rescinding its Statement of Policy Concerning Interest Rate Futures Contracts, Forward Contracts and Standby Contracts (Policy Statement). The Policy Statement provides guidance to state nonmember banks entering into certain interest rate derivative transactions. The FDIC is rescinding the Policy Statement because it is outmoded and duplicative of subsequently-issued, more comprehensive FDIC guidance encompassing this subject.

DATES: This Policy Statement is rescinded September 20, 1996.

FOR FURTHER INFORMATION CONTACT:

William A. Stark, Assistant Director, (202/898-6972), Kenton Fox, Senior Capital Markets Specialist, (202/898-7119), Division of Supervision; Jamey Basham, Counsel, (202/898-7265), Legal

Division, FDIC, 550 17th Street, N.W., Washington, D.C. 20429.

SUPPLEMENTARY INFORMATION: The FDIC is conducting a systematic review of its regulations and written policies. Section 303(a) of the CDRI (12 U.S.C. 4803(a)) requires each federal banking agency to streamline and modify its regulations and written policies in order to improve efficiency, reduce unnecessary costs, and eliminate unwarranted constraints on credit availability. Section 303(a) also requires each federal banking agency to remove inconsistencies and outmoded and duplicative requirements from its regulations and written policies.

As part of this review, the FDIC has determined that the Policy Statement is outmoded and duplicative, and that the FDIC's written policies can be streamlined by its elimination.

The FDIC originally adopted the Policy Statement on November 13, 1979, 44 FR 66673 (November 20, 1979).¹ The Policy Statement provides guidance to state nonmember banks that wish to enter into positions in futures contracts, forward contracts and put options² on U.S. government or agency securities, or purchase or sell futures on domestic bank certificates of deposit. The Policy Statement outlines safety and soundness considerations including the establishment of position risk limits and investment policy objectives appropriate to the institution's business strategy, measuring and monitoring the interest rate risk presented by the positions, and maintaining proper internal control. The Policy Statement also provides guidance for the regulatory reporting treatment of the positions and associated gains and losses.

In the time since the Policy Statement was issued, the complexity and size of the financial derivatives market, of which the particular contracts addressed in the Policy Statement are a significant subset as far as state nonmember banks are concerned, has expanded markedly. Throughout this expansion, the FDIC has recognized that the appropriate use of derivatives can confer substantial benefits to banks, but that the complexity of the contracts and market requires institutions to have acceptable capital levels, suitable expertise, and sufficient management controls. On May 18, 1994, the FDIC issued Financial Institution Letter 34-

¹ The Policy Statement was revised in light of public comments on March 12, 1980, 45 FR 18116 (March 20, 1980), and extended to futures on domestic bank certificates of deposit on October 13, 1981, 46 FR 51301 (October 19, 1981).

² The Policy Statement refers to put options as "standby contracts."

94, Examination Guidance on Financial Derivatives (FIL-34-94). FIL-34-94 provides comprehensive guidance on the risks attached to bank derivative activities and the risk management practices state nonmember banks should observe in response.

In addition, on June 26, 1996, the FDIC, together with the Office of the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, issued the Joint Agency Policy Statement: Interest Rate Risk, 61 FR 33166 (June 26, 1996) (Joint Policy Statement). The Joint Policy Statement addresses the impact interest rate fluctuations can have on an institution's earnings, assets, liabilities, and off-balance-sheet instruments (including contracts such as those addressed in the Policy Statement), and gives comprehensive guidance on an appropriate interest rate risk management system.

Moreover, subsequent to the adoption of the Policy Statement, the regulatory reporting guidance in the Policy Statement was incorporated into the instructions for the Consolidated Report of Condition and Income (Call Report). The reporting guidance in these Call Report instructions will remain in effect.

The FDIC's issuance of these more comprehensive guidance materials, which subsume the activities addressed in the Policy Statement, render its continued existence unnecessary.

Section 303(a) of the CDRI also requires the federal banking agencies to work jointly towards uniformity of guidelines implementing common supervisory policies. Shortly after the FDIC issued the Policy Statement, the Board of Governors of the Federal Reserve System (FRB) and the Office of the Comptroller of the Currency (OCC) issued similar documents. Policy Statement Concerning Forward Placement or Delayed Delivery Contracts and Interest Rate Futures Contracts, 44 FR 66673 (Nov. 20, 1979); OCC Banking Circular 79 (2nd Rev.) (March 19, 1980). On October 27, 1993, the OCC, at the time it issued Banking Circular 277 providing more comprehensive guidance on all forms of financial derivatives, rescinded BC-79. Although the FRB until recently maintained its version of the Policy Statement on its books, Federal Reserve Regulatory Service 3-1535, the FRB acted on August 16, 1996 to rescind it.

For the above reasons, the Policy Statement is rescinded.

By order of the Board of Directors.

Dated at Washington, D.C. this 10th day of September 1996.

Federal Deposit Insurance Corporation

Jerry L. Langley,

Executive Secretary.

[FR Doc. 96-24084 Filed 9-19-96; 8:45 am]

BILLING CODE 6174-01-P

FEDERAL MARITIME COMMISSION

Ocean Freight Forwarder License Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as ocean freight forwarders pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718 and 46 CFR 510).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to contact the Office of Freight Forwarders, Federal Maritime Commission, Washington, D.C. 20573.

G.S.I. Cargo Systems, Inc., 600 Bayview Avenue, Inwood, NY 11096, Officers: Gerald Greenstein, President; Yitzhak Goldstein, Vice President
Atlantic Pacific International, Inc., 3049 Ualena Street, #715, Honolulu, Hawaii 96819, Officers: Jack Boria, President; Wayne Berry, Vice President.

Dated: September 16, 1996.

Joseph C. Polking,

Secretary.

[FR Doc. 96-24104 Filed 9-19-96; 8:45 am]

BILLING CODE 6730-01-M

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in

writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act, including whether the acquisition of the nonbanking company can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices" (12 U.S.C. 1843). Any request for a hearing must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than October 15, 1996.

A. Federal Reserve Bank of Cleveland (R. Chris Moore, Senior Vice President) 1455 East Sixth Street, Cleveland, Ohio 44101:

1. *DCB Financial Corp.*, Delaware, Ohio; to become a bank holding company by acquiring 100 percent of the voting shares of The Delaware County Bank & Trust Company, Delaware, Ohio.

B. Federal Reserve Bank of Atlanta (Zane R. Kelley, Vice President) 104 Marietta Street, N.W., Atlanta, Georgia 30303:

1. *Forsyth Bancshares, Inc.*, Cumming, Georgia; to become a bank holding company by acquiring 100 percent of the voting shares of The Citizens Bank of Forsyth County, Cumming, Georgia (in organization).

C. Federal Reserve Bank of Chicago (James A. Bluemle, Vice President) 230 South LaSalle Street, Chicago, Illinois 60690:

1. *Valley Bancshares, Inc.*, Nisswa, Minnesota; to acquire 100 percent of the voting shares of Minnesota Bancshares Corporation, Augusta, Wisconsin, and thereby acquire directly and indirectly Brainerd National Bank, Baxter, Minnesota.

D. Federal Reserve Bank of Dallas (Genie D. Short, Vice President) 2200

North Pearl Street, Dallas, Texas 75201-2272:

1. *First Baird Bancshares, Inc.*, Baird, Texas, First Baird Bancshares of Delaware, Inc., Dover, Delaware, and Weatherford Bancshares, Inc., Weatherford, Texas; to acquire 50.1 percent of the voting shares of Oklahoma National Bank of Duncan, Duncan, Oklahoma.

2. *Sanger Bancshares, Inc.*, Sanger, Texas; to become a bank holding company by acquiring 100 percent of the voting shares of Sanger Intermediate Holding Company, Inc., Wilmington, Delaware, and thereby indirectly acquire Sanger Bank, Sanger, Texas.

In connection with this application, Sanger Intermediate Holding Company, Inc., Wilmington, Delaware, has also applied to become a bank holding company by acquiring 100 percent of the voting shares of Sanger Bank, Sanger, Texas.

Board of Governors of the Federal Reserve System, September 16, 1996.

Jennifer J. Johnson

Deputy Secretary of the Board

[FR Doc. 96-24117 Filed 9-19-96; 8:45 am]

BILLING CODE 6210-01-F

Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies that are Engaged in Permissible Nonbanking Activities

The Governor and Company of the Bank of Ireland, Dublin, Ireland (Bank of Ireland); has provided notice pursuant to section 4(c)(8) of the Bank Holding Company Act, 12 U.S.C. § 1843(c)(8) (BHC Act), and section 225.23 of the Board's Regulation Y (12 CFR 225.23), to acquire a 50 percent interest in BBOI Worldwide LLC (Company), Denver, Colorado, through its subsidiary, Bank of Ireland Asset Management (U.S.) Limited, Inc., Greenwich, Connecticut (Asset Management), and thereby engage *de novo* in the following nonbanking activities: providing investment advisory activities pursuant to 12 CFR 225.25(b)(4) and providing certain administrative services for investment companies. Bank of Ireland also states that Company will provide certain incidental advice with respect to certain forward contracts on foreign currencies. These activities will be conducted in the United States through a joint venture arrangement with Berger Associates, Inc., Denver, Colorado, which will hold the remaining 50 percent interest in Company. Berger Associates may be the organizer and/or distributor for

investment companies advised and or administered by Company.

The Board previously has determined that these activities are closely related to banking. See 12 CFR 225.25(b)(4); *Mellon Bank Corporation*, 79 Fed. Res. Bull. 626 (1993) (providing administrative and other services to investment companies); and *Banque Nationale de Paris*, 80 Fed. Res. Bull. 638 (1994); *The Chuo Trust and Banking Company, Limited*, 78 Fed. Res. Bull. 446 (1992) (joint venture). Bank of Ireland would engage in these activities in accordance with most of the limitations and conditions established by the Board's regulations and orders, with certain exceptions set forth in its notice. These exceptions include requests by Bank of Ireland to be permitted to have representatives of Asset Management and Berger Associates serve as both officers of Company and as trustees for certain mutual funds organized by Berger Associates that will be advised by Company and that certain mutual funds bear the name "Berger/BIAM."

In order to approve the proposal, the Board must determine that the proposed activities to be conducted by Bank of Ireland "can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices." 12 U.S.C. § 1843(c)(8).

In publishing the proposal for comment, the Board does not take a position on issues raised by the proposal. Notice of the proposal is published solely to seek the views of interested persons on the issues presented by the application and does not represent a determination by the Board that the proposal meets, or is likely to meet, the standards of the BHC Act. Any comments or requests for hearing should be submitted in writing and received by William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than October 7, 1996. Any request for a hearing on this application must, as required by section 262.3(e) of the Board's Rules of Procedure (12 CFR 262.3(e)), be accompanied by a statement of the reasons why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

This application may be inspected at the offices of the Board of Governors or the Federal Reserve Bank of Boston.

Board of Governors of the Federal Reserve System, September 16, 1996.

Jennifer J. Johnson

Deputy Secretary of the Board

[FR Doc. 96-24116 Filed 9-19-96; 8:45 am]

BILLING CODE 6210-01-F

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Board of Governors of the Federal Reserve System.

TIME AND DATE: 10:00 a.m., Wednesday, September 25, 1996.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, N.W., Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.

2. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION:

Mr. Joseph R. Coyne, Assistant to the Board; (202) 452-3204. You may call (202) 452-3207, beginning at approximately 5 p.m. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.

Dated: September 18, 1996.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 96-24301 Filed 9-18-96; 11:25 am]

BILLING CODE 6210-01-P

GENERAL SERVICES ADMINISTRATION

Privacy Act of 1974; System of Records

AGENCY: General Services Administration (GSA).

ACTION: Notice of a revised system of records.

SUMMARY: This document gives notice, under the Privacy Act of 1974, 5 U.S.C. 552a, of the system of records Incident Reporting, Investigation, Contingency Planning/Analysis and Security Case Files, GSA/PBS-3, which the agency proposes to revise to comply with 42 U.S.C. 13041 and indicates that GSA plans to conduct criminal history checks of persons providing child care

to children under the age of 18 at Federal facilities. A revised system report has been filed with the Chair of the House Committee on Government Reform and Oversight, the Chair of the Senate Committee on Governmental Affairs, and the Office of Management and Budget.

DATES: Any interested person may submit written comments about the revised system. Comments must be received on or before the 40th day after GSA publishes this notice. The system becomes effective the 40th day after the agency publishes the notice, unless the agency receives comments that result in a contrary decision.

ADDRESSES: Address comments to Elaine P. Dade, Acting Privacy Act Officer, General Services Administration (CAE), 1800 F Street NW., Washington, DC 20405.

FOR FURTHER INFORMATION CONTACT: William M. McHugh, Privacy Act Liaison (202) 501-2983.

SUPPLEMENTARY INFORMATION: Under Executive Order (E.O.) 10450, April 27, 1953; E.O. 12065, June 28, 1978; 31 U.S.C. 1535; 40 U.S.C. 318(a) through 318(d); and 42 U.S.C. 13041, GSA maintains an information system for assessing employment suitability, planning for terrorist threats that could disrupt GSA operations, and enforcing criminal laws and regulations.

Besides adding a new class of individuals (child-care personnel) subject to background checks, there are editorial changes to clarify and update information, including references to offices and locations where the system is in use.

Dated: September 9, 1996.

Elaine P. Dade,

Acting Director, Information Management Division (CAE).

GSA/PBS-3 23-00-0075

SYSTEM NAME:

Incident reporting, investigation, contingency planning/analysis, and security case files.

SYSTEM LOCATION:

The system of records is located in GSA's Office of Federal Protective Service and in the regional offices of Federal Protective Service divisions at the addresses given at the end of the notice.

PURPOSE(S):

The purpose is to maintain an information system that contains (1) preliminary and other criminal investigation reports used to enforce criminal law, rules, and regulations; to

prevent, control, or reduce crime and arrest criminals; and for correction, probation and pardon, and parole activities; (2) security files that are the basis of suitability decisions for GSA contract personnel and for persons providing child care to children under the age of 18 in facilities operated by or for the Government or by contractors; and (3) contingency plans that provide patterns of potential or actual terrorist group activities or other activities that could disrupt the operation of GSA facilities.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

- a. Persons who were the source of (1) an initial complaint and (2) an allegation that a crime took place.
- b. Witnesses who have information or evidence about any aspect of an investigation;
- c. Persons who are, or who may become, suspects in an investigation of criminal activity;
- d. Persons being investigated on noncriminal matters;
- e. Employees of GSA contractors performing contract services in buildings and areas under GSA control;
- f. Individuals who provide child care to children under the age of 18 in Federal facilities;
- g. Current and former applicants for the position of Federal Protective Officer;
- h. Persons associated with terrorists or terrorist groups and activities and names of regional and national terrorist organizations; and
- i. Sources of information and evidence vital to the outcome of administrative procedures and civil and criminal cases. The identity of the individuals and the information they contribute are confidential.

CATEGORIES OF RECORDS IN THE SYSTEM:

- a. Files containing preliminary and other reports of criminal investigations from the opening of a case until its close. Criminal justice and civil or administrative remedies may require partial or total disclosure of the reports.
- b. Security files containing name, date and place of birth, address, social security number, education, occupation, experience, and investigative material.
- c. Contingency planning/analysis files containing information such as names and other identifying information and investigative materials on persons linked with terrorists or terrorist groups and activities. They also contain information about regional and national terrorist organizations and their effect on the security of GSA facilities.
- d. Intelligence briefs; tactical, operational and strategic information

reports; regional and national contingency analysis; action plans; and patterns of potential or actual terrorist groups, or other activities that could disrupt the orderly operation of GSA facilities.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Authority for the system comes from E.O. 10450, April 27, 1953, E.O. 12065, June 28, 1978; 31 U.S.C. 1535; and 40 U.S.C. 318(a) through 318d; 42 U.S.C. 13041.

ROUTINE USES OF RECORDS IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

- a. To disclose information to a Federal, State, local, or foreign agency investigating, prosecuting, enforcing, or carrying out a statute, rule, regulation, or order, where GSA becomes aware of a violation or potential violation of civil or criminal law or regulation.
- b. To disclose information to a Member of Congress or a congressional staff member in response to a request of the person who is the subject of the records.
- c. To disclose information to a Federal, State, or local agency keeping civil, criminal, enforcement, or related information to obtain additional information needed in making a decision on hiring or retaining an employee; issuing a security clearance; letting a contract; or issuing a license, grant, or other benefit.
- d. To disclose information to a requesting Federal agency in connection with hiring or retaining an employee; issuing a security clearance; reporting an employee investigation; clarifying a job; letting a contract; or issuing a license, grant, or other benefit by the requesting agency where the information is necessary for a decision.
- e. To disclose information to an appeal, grievance, or formal complaints examiner; equal employment opportunity investigator; arbitrator; union representative or other official engaged in investigating or settling a grievance, complaint, or appeal filed by an employee.
- f. To disclose information to the Office of Personnel Management for evaluating Federal personnel management.
- g. To disclose information to bureaus and divisions of the Department of Justice that share jurisdiction over a subject and location with the Office of Federal Protective Service.
- h. To disclose information to subdivisions of the Department of Justice that are prosecuting criminal cases and pursuing civil cases arising from activities of the Office of Federal Protective Service.

i. To disclose information to Federal, State, local, and foreign law enforcement agencies participating in an investigation with the Office of Federal Protective Service.

j. To disclose information to the Department of Justice when an agency, an agency employee, or the United States is a party to or has interest in litigation, and using the records is necessary and compatible with the purpose of collecting the information.

k. To disclose information to a court of adjudicative body when the agency, any agency employee, or United States is party to or has interest in litigation, and the use of the records is necessary and compatible with the purpose of collecting the information.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Paper records are kept in file folders; computer tapes and cards are kept in file cabinets.

RETRIEVABILITY:

Records are retrieved by name, file number, case number, incident and location, and type of incident.

SAFEGUARDS:

Paper records are stored in locked filing cabinets with combination locks when not in use and in secured rooms. Computer tapes holding unclassified records are protected by a password system.

RETENTION AND DISPOSAL:

Record disposal is described in the handbook, GSA Records Maintenance and Disposition System (OAD P 1820.2A).

SYSTEM MANAGERS AND ADDRESS:

Assistant Commissioner, Office of Federal Protective Service (PS), Public Building Service, General Services Administration, 1800 F Street NW., Washington, DC 20405.

NOTIFICATION PROCEDURE:

A requester who wishes to be notified whether the system contains a record concerning himself or herself should address an inquiry to the system manager.

RECORD ACCESS PROCEDURES:

A requester should address an individual request to view or amend a record to the system manager, furnishing full name, social security number, address, and telephone number. For the identification required, see 41 CFR part 105-64, published in the Federal Register.

CONTESTING RECORD PROCEDURES:

The procedures for contesting the content of a record or appealing the denial of a request to access or amend a record are in 41 CFR part 105-64.

RECORD SOURCE CATEGORIES:

The sources for the records are investigations, informants, witnesses, official records, investigative leads, statements, depositions, business records, or any other information source available to the Office of Federal Protective Service.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

Under 5 U.S.C. 552a(j), the criminal investigation case files and contingency planning/analysis files in the system are exempt from the Privacy Act of 1974, except subsections (b); (c) (1) and (2); (e)(4) (A) through (F); (3) (6), (7), (9), (10), (11), and (i) of the Act. Under 5 U.S.C. 552a(k), the general investigation and security files in the system are exempt from subsections (c)(3); (d); (e)(i); (e)(4) (G), (H), and (I); and (f) of the Act.

Record System Locations

Central Office, GSA, Office of Federal Protective Service (PS), 1800 F Street NW., Washington, DC 20405.

New England Region, GSA Federal Protective Service (1PS), Thomas P. O'Neill Federal Building, 10 Causeway Street, Room 108, Boston, MA 02222.

Northeast and Caribbean Region, GSA, Federal Protective Service Division (2PS), 26 Federal Plaza, Room 17-130, New York, NY 10278.

Mid-Atlantic Region, GSA, Federal Protective Service Division (3PS), John Wanamaker Building, 100 Penn Square East, Room 714, Philadelphia, PA 19107-3396.

Southeast-Sunbelt Region, GSA, Federal Protective Service Division (4PS), 401 West Peachtree Street NW., Suite 2339, Atlanta, GA 30365-2550.

Great Lakes Region, GSA, Federal Protective Service Division (5PS), John C. Kluczynski Federal Building, 230 South Dearborn Street, Room 3540, Chicago, IL 60604.

The Heartland Region, GSA, Federal Protective Service Division (6PS), 1500 East Bannister Road, Room 2137, Kansas City, MO 64131.

Greater Southwest Region, GSA, Federal Protective Service Division (7PS), 819 Taylor Street, Room 14A14, Fort Worth, TX 76102.

Rocky Mountain Region, GSA, Federal Protective Service Division (8PS), Building 41, Denver Federal Center, Room 200, P.O. Box 25006, Denver, CO 80225-0006.

Pacific Rim Region, GSA, Federal Protective Service Division (9PS), 450 Golden Gate Avenue, Room 5205, San Francisco, CA 94102-3400.

Northwest/Arctic Region, GSA, Federal Protective Service Division (10PS), 400 15th Street SW., Auburn, WA 98001.

National Capital Region, GSA, Federal Protective Service Division (WPS), Bldg. 74,

Room 110, Southeast Federal Center, Washington, DC 20407.

[FR Doc. 96-24108 Filed 8-19-96; 8:45 am]

BILLING CODE 6820-34-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

New and Pending Demonstration Project Proposals Submitted Pursuant to Section 1115(a) of the Social Security Act: August 1996

AGENCY: Administration for Children and Families, HHS.

ACTION: Notice.

SUMMARY: This notice lists new proposals for welfare reform and combined welfare reform/Medicaid demonstration projects submitted to the Department of Health and Human Services for the month of August, 1996. It includes both those proposals being considered under the standard waiver process and those being considered under the 30 day process. Federal approval for the proposals has been requested pursuant to section 1115 of the Social Security Act. This notice also lists proposals that were previously submitted and are still pending a decision and projects that have been approved since August 1, 1995. The Health Care Financing Administration is publishing a separate notice for Medicaid only demonstration projects.

Comments: We will accept written comments on these proposals. We will, if feasible, acknowledge receipt of all comments, but we will not provide written responses to comments. We will, however, neither approve nor disapprove new proposals under the standard application process for at least 30 days after the date of this notice to allow time to receive and consider comments. Direct comments as indicated below.

ADDRESSES: For specific information or questions on the content of a project contact the State contact listed for that project.

Comments on a proposal or requests for copies of a proposal should be addressed to: Howard Rolston, Administration for Children and Families, 370 L'Enfant Promenade, S.W., Aerospace Building, 7th Floor West, Washington DC 20447. FAX: (202) 205-3598; Phone: (202) 401-9220.

SUPPLEMENTARY INFORMATION:**I. Background**

Under Section 1115 of the Social Security Act (the Act), the Secretary of Health and Human Services (HHS) may approve research and demonstration project proposals with a broad range of policy objectives.

In exercising her discretionary authority, the Secretary has developed a number of policies and procedures for reviewing proposals. On September 27, 1994, we published a notice in the Federal Register (59 FR 49249) that specified (1) the principles that we ordinarily will consider when approving or disapproving demonstration projects under the authority in section 1115(a) of the Act; (2) the procedures we expect States to use in involving the public in the development of proposed demonstration projects under section 1115; and (3) the procedures we ordinarily will follow in reviewing demonstration proposals. We are committed to a thorough and expeditious review of State requests to conduct such demonstrations.

On August 16, 1995, the Secretary published a notice in the Federal Register (60 FR 42574) exercising her discretion to request proposals testing welfare reform strategies in five areas. Since such projects can only incorporate provisions included in that announcement, they are not subject to the Federal notice procedures. The Secretary proposed a 30 day approval process for those provisions. As previously noted, this notice lists all new or pending welfare reform demonstration proposals under section 1115. Where possible, we have identified the proposals being considered under the 30 day process. However, the Secretary reserves the right to exercise her discretion to consider any proposal under the 30 day process if it meets the criteria in the five specified areas and the State requests it or concurs.

Title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), enacted August 22, 1996, created the Temporary Assistance for Needy Families (TANF) program. TANF provides very broad flexibility for States to design programs to provide financial assistance to families with children and assist them in achieving independence. With very few exceptions, under TANF States can implement the policies and activities for which they have previously sought title IV-A waivers. Although section 415 of TANF provides States with waiver demonstrations approved prior to July 1, 1997 even greater flexibility, it applies

only to waiver requests received prior to August 22, 1996. Consequently, we do not expect any states to submit additional requests for title IV-A waivers to operate welfare reform demonstrations. Thus, as this notice includes descriptions of those welfare reform proposals received prior to enactment of PRWORA, this will be the final notice in the Federal Register announcing new applications for welfare reform waivers requiring IV-A waivers.

II. Listing of New and Pending Proposals for the Month of August 1996

As part of our procedures, we are publishing a monthly notice in the Federal Register of all new and pending proposals. This notice contains proposals for the month of August, 1996. All new proposals listed below were received prior to enactment of PRWORA.

Project Title: California—Work Pays Demonstration Project (Amendment).

Description: Would amend Work Pays Demonstration Project by adding provisions to: Reduce benefit levels by 10% (but retaining the need level); reduce benefits an additional 15% after 6 months on assistance for cases with an able-bodied adult; time-limit assistance to able-bodied adults to 24 months, and not increase benefits for children conceived while receiving AFDC.

Date Received: 3/14/94.

Type: AFDC.

Current Status: Pending.

Contact Person: Glen Brooks, (916) 657-3291.

Project Title: California—Assistance Payments Demonstration Project/California Work Pays Demonstration Project (Amendment).

Description: Would amend the Assistance Payments Demonstration Project/California Work Pays Demonstration Project by adding provisions to California to allow two additional AFDC benefit reductions: (1) Reduce the Maximum Aid Payment (MAP) by 4.9 percent across-the-board statewide; and (2) divide California counties into two regions based on housing costs, and reduce both the Need Standard and the MAP in the region with the lower costs. In addition, the State is requesting blanket authority for future reductions in AFDC payment levels in conjunction with welfare reform State law changes.

Date Received: 3/13/96.

Type: AFDC/Medicaid.

Current Status: Pending.

Contact Person: Bruce Wagstaff, (916) 657-2367.

Project Title: California—Assistance Payments Demonstration Project/

California Work Pays Demonstration Project (Amendment).

Description: Would amend the Assistance Payments Demonstration Project/California Work Pays Demonstration Project by adding provisions to allow one additional provision: Income of a senior parent living in the same household with a minor parent with a dependent child will not be deemed to the minor parent's child.

Date Received: 3/13/96.

Type: AFDC.

Current Status: Pending.

Contact Person: Bruce Wagstaff, (916) 657-2367.

Project Title: Florida—Family Transition Program (Amendments).

Description: Would modify the Family Transition Program demonstration, currently operating in nine counties. The modification would make the Alchua program a mandatory one, rather than a voluntary program, and would make it consistent with the programs operating in the other eight counties. The demonstration limits, with some exceptions, AFDC benefits to 24 months in any 60-month period followed by participation in transitional employment. For families subject to the time limit, it replaces current \$90 and \$30 and one-third disregards with a single, non-time-limited disregard of \$200 plus one-half of the remainder; disregards income of a stepparent whose needs are not included in the assistance unit for the first 6 months of receipt of public assistance; excludes summer earnings of teens and interest income; lowers age of child for JOBS exemption to 6 months; raises asset limit to \$5,000 plus a vehicle of reasonable worth used primarily for self-sufficiency purposes; extends transitional Medicaid and child care benefits; eliminates 100-hour and required quarters of work rules, and (on a case-by-case basis) the 6-month time limit requirements in the AFDC-UP program; requires school conferences and regular school attendance; offers incentive payments to private employers who hire hard-to-place AFDC recipients; and allows non-custodial parents of AFDC children to participate in JOBS.

Date Received: 6/24/96.

Type: Combined AFDC/Medicaid.

Current Status: New.

Contact Person: Don Winstead, (904) 921-5567.

Project Title: Georgia—Jobs First Project.

Description: In ten pilot counties, would replace AFDC payment with paid employment; extend transitional Medicaid to 24 months; eliminate 100-

hour employment rule for eligibility determination in AFDC-UP cases.

Date Received: 7/5/94.

Type: AFDC.

Current Status: Pending (not previously published).

Contact Person: Nancy Meszaros, (404) 657-3608.

Project Title: Georgia—Fraud Detection Project.

Description: Would seek to reduce the incidence of fraud in the AFDC and Food Stamps programs by imposing stronger penalties on individuals convicted of committing such fraud. Georgia proposes to change the fraud penalty to one year for the first violation and permanently for the second violation.

Date Received: 7/1/96.

Type: AFDC.

Current Status: Pending.

Contact Person: Betty Williams-Kirby, (404) 657-3604.

Project Title: Idaho—Temporary Assistance for Families in Idaho (Amendments).

Description: Would amend previously approved demonstration. Statewide, would replace the AFDC need standard with an eligibility threshold of 33 percent of the FY 1995 FPL with a maximum payment level of \$276 regardless of family size. The State would disregard 40 percent of earned income; change AFDC resource and auto equity limits to conform with Food Stamps; exclude interest income and Individual Indian Monies; count SSI income, income of family members who are ineligible aliens, and educational grants; change stepparent income rules; and eliminate the \$50 pass through. The State would impose a family cap on benefit amount. The State would provide an optional one-time diversion payment, the maximum amount of which would be up to three times the monthly maximum AFDC payment amount per family size, and would expand AFDC-UP eligibility, require unmarried minor parents to reside with their parents, and consolidate grants for “blended” families. Non-exempt adult applicants and recipients would be required to sign a Personal Responsibility Contract outlining requirements for work and training participation up to 40 hours per week, child immunization, child support enforcement, school attendance, and substance abuse or mental health treatment if necessary. The State would restrict the current JOBS exemptions and would eliminate the time limits on job search. The State would limit AFDC receipt to 24 months cumulatively, counting months of receipt in other

states but excepting minor parents. The State would allow extensions on a case-by-case basis and would provide transitional Medicaid and child care after the time limit. The State would provide child care in an integrated, streamlined system, and would provide transitional Medicaid and Transitional Child Care for families without regard to AFDC receipt in 3 of the 6 months preceding ineligibility by reason of earnings or hours of work. The State would apply the Food Stamps voluntary quit provisions to AFDC, strengthen sanctions for IPV, eliminate conciliation, and impose progressive fiscal sanctions for failure to comply with JOBS and work requirements resulting in the removal of the entire family's needs in determining the amount of AFDC benefits until the end of the demonstration. The State would deny eligibility or terminate AFDC for the entire family for failure to cooperate with child support enforcement without good cause. AFDC would be reduced by 50 percent and Medicaid denied to the custodial parent if paternity cannot be established within 12 months of application or birth to a recipient parent.

Date Received: 8/9/96.

Type: Combined AFDC/Medicaid.

Current Status: New.

Contact Person: Mary Ann Saunders, (208) 334-5551.

Project Title: To Strengthen Michigan Families (Amendments).

Description: Statewide, would require attendance at a joint orientation held by the Michigan Jobs Commission and the Family Independence Agency for all adult AFDC, Refugee Cash Assistance (RCA), and food stamp applicants and recipients as a condition of eligibility; during the first 2 months of eligibility for benefits, remove full family's AFDC, RCA, and food stamp benefits for non-compliance with JOBS or Food Stamp Program (FSP) employment and training (E&T) requirements, for a minimum of one month; after the first two months of eligibility, reduce grant by 25 percent for noncompliance with work requirements and after 4 months of noncompliance close the case for a minimum of one month or until compliance; after 4 months non-compliance with child support enforcement requirements close the case until compliance; increase the asset limit to \$3,000, count only liquid assets, and treat all lump sums as liquid assets rather than income for AFDC and FSP; modify redetermination requirements for AFDC and FSP; deny AFDC benefits to persons who have entered the State for employment purposes but do not

intend to remain in Michigan; provide for the immediate effect of negative actions, allow specific case changes to be reflected in the month following the month of change, and create an agency overpayment standard for recovery purposes of \$1,000 for AFDC and FSP; modify existing AFDC assistance unit composition rules to include stepparents, stepsiblings, spouses and certain children age 18-19, and to exclude non-parent caretakers when the parent (except a minor parent) is in the home; allow a dependent child to live with an unrelated caretaker; eliminate the 185 percent of need test and apply the same earned income disregards to applicants and recipients; budget income of mandatory ineligibles; replace the dependent care disregard with vendor payments based on the Child Day Care Services program eligibility requirements; replace the 75th percentile rule for child care costs with reimbursement rates that represent reasonable child care market rates; eliminate deprivation as an eligibility criterion; modify QC review requirements; provide AFDC benefits to a pregnant woman starting at any point in the pregnancy rather than just the last trimester; use 100 percent title IV-A funds to provide advance EITC payments to eligible, employed AFDC recipients; budget the actual sponsor's contribution to a sponsored alien when determining the client's AFDC and food stamp eligibility and treat contribution as unearned income of the sponsored alien when budgeting against the needs of the group; extend AFDC eligibility only to U.S. citizens, legal permanent resident aliens, and certain other legal entrants; apply additional income exclusions for AFDC and FSP for a variety of income types, including inconsequential income, donations based on need, dependent child earnings, adoption subsidies, child support refunds, training payments, etc.; require reporting of gross income changes for AFDC and FSP only if \$100 or more; define dependent child as a child who is unemancipated according to state law; provide law enforcement officers with the address of an AFDC or food stamps recipient who is a fugitive felon or who the law enforcement office believes has a fugitive felon living in the home; deny assistance to any AFDC or food stamp applicant or recipient who is identified as a fugitive felon; pay current monthly child support collections directly to the family and budget them against the AFDC grant, after the \$50 disregard is applied; revise child support distribution cycle; extend transitional child care to 24 months and

eliminate the requirement that a family receive AFDC in at least 3 of the 6 months immediately preceding the first month of AFDC ineligibility; place title IV-E funding (except for adoption subsidy payments) in a block grant; use JOBS funds to pay for transportation and other employment-related expenses; assign an individual to CWEP for 20 hours per week irrespective of the family's AFDC benefit level or receipt of child support; count all mandatory and optional JOBS components toward the AFDC-UP participation rate; expand the JOBS target population; waive employment and training exemptions for RCA participants to match the AFDC waiver granted to Michigan in October 1994; adopt the current AFDC waiver proposal regarding earned income disregards for RCA; limit the groups eligible for Medicaid; provide 12 months transitional Medicaid for AFDC cases that close due to child support payments and eliminate the requirement that a family receive AFDC in at least 3 or the 6 months before ineligibility; allow an age test for children's Medicaid eligibility rather than a birth date test; limit automatic Medicaid coverage to newborns of Medicaid recipients; include blind individuals in the definition of disability for Medicaid eligibility; determine a family's Medicaid eligibility recognizing that it operates as a single economic unit and use income and resource standards based on family composition rather than separate standards for individual members; define countable income and distinguish income from resources for Medicaid to be consistent with AFDC proposal; eliminate the burial fund and burial space exclusions for Medicaid; provide for long-term care through a combination of private insurance and Medicaid; modify Medicaid policy regarding trusts; allow State agency's disability or blindness determination for non-cash Medicaid clients to be final; eliminate advance notice requirement for Medicaid negative actions; and allow Medicaid Buy-In for persons with no employer-based coverage whose transitional Medicaid coverage ends.

Date Received: 6/27/96.

Type: Combined AFDC/Medicaid.

Current Status: Pending.

Contact Person: Dan Cleary, (517) 335-0015.

Project Title: Minnesota—Families Empowered to Assist Themselves (FEAT).

Description: In Stearns County, for first-time applicants for AFDC: Would replace the \$30 and $\frac{1}{3}$ income disregard with a disregard decreasing from 50% in the first month to zero in the fifth

month; provide Emergency Assistance during two 30-day periods in any 12 month period; give FEAT participants priority for Child Support Enforcement services; pay assigned child support arrearages directly to the family; increase the hours of job search covered by child care; modify child care rate and sliding fee scale; eliminate 3 of 6 months AFDC receipt requirements for transitional child care and Medicaid; eliminate JOBS exemptions; and use work supplementation to fill any job vacancy.

Date Received: 7/31/96.

Type: AFDC/Medicaid.

Current Status: New.

Contact Person: Gus Avenido, (612) 296-1884.

Project Title: Minnesota—MNJOBS.

Description: Would implement in selected counties work-focused JOBS program strategies and would provide transitional Medicaid and Transitional Child Care for families without regard to AFDC receipt in 3 of the 6 months preceding ineligibility by reason of earnings or hours of work.

Date Received: 8/2/96.

Type: AFDC/Medicaid.

Current Status: New.

Contact Person: Mark Kleczewski, (612) 297-4819.

Project Title: Minnesota—Self-Help.

Description: In 7 counties (St. Louis, Aitkin, Carlton, Cook, Itasca, Lake, and Koochiching), for first-time applicants for AFDC: Would make entry into a contract for employment a condition of eligibility; revise the method of determination of need and amount of assistance and of recovery of overpayments; provide job incentive bonuses; replace monthly reporting with weekly contacts with the worker; pass-through all child support and change the sanction for non-cooperation; eliminate 3 of 6 months AFDC receipt requirements and establish sliding fee scales for AFDC child care; eliminate the 3 of 6 months AFDC receipt for transitional Medicaid; and substitute Self-Help participation for JOBS participation.

Date Received: 8/6/96.

Type: AFDC/Medicaid.

Current Status: New.

Contact Person: John Morrison, (612) 297-4623.

Project Title: Minnesota—Work Focus for Families.

Description: In 3 counties (Brown, LeSueur, and Sibley), for first-time applicants for AFDC: Would eliminate 3 of 6 months AFDC receipt requirements for transitional child care and Medicaid; extend transitional child care to 24 months; eliminate the copayment; and

provide case management and other necessary supportive services for 12 months after leaving AFDC.

Date Received: 8/20/96.

Type: AFDC/Medicaid.

Current Status: New.

Contact Person: John Morrison, (612) 297-4623.

Project Title: Nevada.

Description: Nevada submitted a Welfare Reform Demonstration Special Application Form to require, statewide, JOBS participation of minor parents under age 16; individuals working 30 or more hours per week; and women who are pregnant, with exceptions. The State also requested an AFDC time limit of 24 months within any 60 month period. Nevada would also require unemployed/under-employed non-custodial parents of AFDC children in Clark County to participate in JOBS.

Date Received: 8/8/96.

Type: AFDC.

Current Status: New.

Contact Person: Jackie L. Cheney, (702) 687-4709.

Project Title: New Mexico—Work First.

Description: Statewide would emphasize work by requiring job search prior to case approval; expand mandatory JOBS participation by exempting caretakers (1) over 65 years or (2) with children up to 1 year old; expand Transitional Child Care eligibility by eliminating the three-in-six rule and providing it for up to 36 months after ineligibility for AFDC due to earnings; provide special one-time payments needed by recipient to accept or retain employment; eliminate separate JOBS participation rates for AFDC-UP cases; change AFDC earned income disregard to 20 percent plus \$134 per month standard deduction; increase resource limits to \$1,500 for cash and exclude one vehicle regardless of value. Other provisions to encourage self-sufficiency and personal responsibility are increased progressive sanctions for JOBS and paternity establishment cooperation, resulting in case closure for successive non-compliance; requiring minor parents to live in a supervised setting; eliminate the parental deprivation provisions; expand two-parent eligibility by eliminating the 100-hour rule and the work history requirement; make AFDC a closed-ended program which requires recipients to recertify their eligibility on a periodic basis, or have their case closed with proration of both food stamps and AFDC from date of application; eliminate reconciliation requirement so that over and under payments would not be reported or

collected; and require AFDC and food stamp income change reporting and processing only at the time of periodic review and re-certification.

Date Received: 8/6/95.

Title: Combined AFDC/Medicaid.

Current Status: Pending.

Contact Person: Roberto Salazar, (502) 827-7280.

Project Title: New York—Learnfare Program.

Description: Would phase in statewide a provision that would require AFDC children in grades 1 through 6 to attend school regularly by mandating a sanction of removal of the child's needs from the budget group for three months in those cases, where after counseling, the child has 5 or more unexcused absences in a quarter. Benefits for parents will be terminated, for failure without good cause, to sign the release form for educational records.

Date Received: 5/31/96.

Type: AFDC.

Current Status: Pending.

Contact Person: Jeff Gaskell, (518) 486-3415.

Project Title: New York—Intentional Program Violation Demonstration.

Description: Statewide would change the sanction for Intentional Program Violations making the period of ineligibility of the person committing the violation dependant on both the number of offenses and the amount of the overpayment incurred as a result of the violation.

Date Received: 5/31/96.

Type: AFDC.

Current Status: Pending.

Contact Person: Jeff Gaskell, (518) 486-3415.

Project Title: Oklahoma—Welfare Self-Sufficiency Initiative.

Description: In four pilots conducted in five counties each, would (1) extend transitional child care to up to 24 months; (2) require that all children through age 18 be immunized and require that responsible adults with preschool age children participate in parent education or enroll the children in Head Start or other preschool program; (3) not increase AFDC benefits after birth of additional children, but provide voucher payment for the increment of cash benefits that would have been received until the child is two years old; and (4) pay lesser of AFDC benefit or previous state of residence or Oklahoma's for 12 months for new residents.

Date Received: 10/27/95.

Type: AFDC.

Current Status: Pending.

Contact Person: Raymond Haddock, (405) 521-3076.

Project Title: Pennsylvania—School Attendance Improvement Program.

Description: In 7 sites, would require school attendance as condition of eligibility.

Date Received: 9/12/94.

Type: AFDC.

Current Status: Pending.

Contact Person: Patricia H. O'Neal, (717) 787-4081.

Project Title: Pennsylvania—Savings for Education Program.

Description: Statewide, would exempt as resources college savings bonds and funds in savings accounts earmarked for vocational or secondary education and disregard interest income earned from such accounts.

Date Received: 12/29/94.

Type: AFDC.

Current Status: Pending.

Contact Person: Patricia H. O'Neal, (717) 787-4081.

Project Title: Pennsylvania—Common Sense Welfare to Work Program.

Description: Statewide, would impose 24 month time limit on receipt of AFDC after which individuals would be required to work or participate in subsidized employment, work experience, on-the-job training, community service or workfare for at least 20 hours per week; require adult applicants and recipients, pregnant/parenting minors, and minors without high school diplomas or equivalent who are not attending school to sign an Agreement of Mutual Responsibility (AMR) as a condition of eligibility for AFDC and impose a \$40 per month penalty for failure to comply with the agreements in the AMR; impose sanctions for failing to comply with employment-related AMR provisions which would be progressive and could lead to permanent disqualification for the adult in the first 24 months and for the family after that period; provide the lesser of the Pennsylvania benefit or the former state benefit during the first 12 months of residency; deny AFDC to an individual serving a disqualification for either Food Stamp program or PA's General Assistance program fraud or who has been sentenced for a criminal offense but has not satisfied the penalty imposed by a court and to exchange information with the State Police and Board of Probation and Parole to identify such persons; deny AFDC and Medicaid to those who fail to appear, as a defendant, at a criminal court proceeding; require nonexempt applicants and recipients who are not employed an average of 20 hours/week to participate in an eight-week job search period and additional activities if employment is not found; after 24

months of AFDC receipt, require work or participate in subsidized employment, work experience, on-the-job training, community service or workfare for an average of 20 hours/week as a condition of receipt of cash assistance; limit exemptions from JOBS and work requirements; eliminate priority for volunteers under JOBS, limitations on periods of job search, and requirement to consider preferences of participant to the maximum extent possible in employability plan; eliminate workers' compensation coverage under community service activity; allow the filling of established unfilled vacancies under the Work Supplementation component, allow participation for 12 months, and cash out food stamp benefits for Work Supplementation participants; eliminate gross income test (i.e., 185 percent of need standard); disregard 50 percent of earned income without time limit; exclude one vehicle for AFDC and food stamps; disregard all earned income of dependent children for AFDC and food stamps, and increase age limit for dependent children to 21 years of age; require recipients under 18 to attend high school or GED; extend Transitional Child Care (TCC) beyond 12 months, establish co-payments as a percentage of cost of care, expand eligibility to include cases which have received AFDC for one month and which close for any reason other than sanction if the individual is employed; extend transitional Medicaid to 12 months for cases which close as a result of child support collections; require cooperation with Child Support Enforcement for AFDC recipients and Medicaid-only applicants and recipients prior to authorization of assistance for applicants; redefine what constitutes noncooperation for child support; allow IV-D workers to determine cooperation rather than IV-A workers; provide AFDC to needy child who resides with non-relative if in the best interest of the child; expand two-parent eligibility by eliminating 100-hour definition of employment, 30-day waiting period, and work history requirements; expand eligibility to pregnant women in the first trimester of pregnancy; for AFDC and Medicaid, exclude value of life insurance and nonresident property, and in-kind income; for AFDC, Medicaid, and food stamps revise lump sum policy and exclude student financial aid; for AFDC and food stamps change budgeting methods and recovery of over/underpayments.

Date Received: 7/31/96.

Type: Combined AFDC/Medicaid.

Current Status: Pending.

Contact Person: Ed Zogby, (717) 772-7829.

Project Title: Rhode Island—Family Independence Act Demonstration Project.

Description: Would require work plans for each parent within 45 days of eligibility and either extended job search, training or work immediately thereafter; impose progressive fiscal sanction on any non-compliant parent; provide earned income disregard of \$170 plus 50% of remainder without time limit; deduct \$50/month for subsidized housing; increase vehicle asset limit to \$4,600; eliminate 185% of need test from eligibility determination; maintain cash assistance as an entitlement for legal residents; require minor parents to live at home, with limited exceptions; impose a 5 year lifetime cap on cash assistance for adults (not children); eliminate the unemployment and connection to the labor force requirements for eligibility for two parent families; pay only 70% of normal for the first 12 months a family has lived in the State; apply \$50 child support pass-through to each child; require non-supporting, noncustodial parents to perform community service; and increase medicaid eligibility.

Date Received: 08/20/96.

Type: Combined AFDC/Medicaid.

Current Status: New.

Contact Person: Christine Ferguson, (401) 464-2121.

Project Title: Utah—Single Parent Employment Demonstration (Amendments).

Description: Would amend the current Single Parent Employment Demonstration, establishing a 36 month lifetime limit on a family's receipt of AFDC, with exceptions; and count toward the time limit months of AFDC receipt in another state.

Date Received: 7/2/96.

Type: AFDC.

Current Status: Pending.

Contact Person: Bill Biggs, (801) 538-4337.

Project Title: Virginia—Virginia Independence Program (Amendments).

Description: Would amend the Virginia Independence Program to require AFDC applicants and recipients (including specified relatives other than a parent) to provide information sufficient to identify the non-custodial parent. Failure to provide the required information would result in sanctions. In any case where an applicant/recipient does not claim good cause or good cause does not exist, an affidavit from the custodial parent attesting to the lack of information about the non-

custodial parent/putative father, in and of itself, would not meet the definition of cooperation. If the first two genetic tests exclude the named putative fathers, the State will impose a sanction until paternity is established. If a relative other than the parent maintains the he does not know the identity of the child's parent and has no way to help identify the parent, the sanction would not be imposed.

Date Received: 5/24/96.

Type: AFDC.

Current Status: Pending (amended provisions not previously published).

Contact Person: Barbara Cotter, (804) 692-1811.

Project Title: Wisconsin—Work Not Welfare and Pay for Performance Projects (Amendments).

Description: Statewide, would lower the JOBS exemption from a parent whose youngest child is one year old or younger to a parent whose youngest child is 12 weeks old or younger; require up to 40 hours a week in CWEP regardless of the amount of the family's AFDC grant and require participation in substance abuse and mental health treatment, as appropriate; include intentional failure or voluntary quit in a work component as a failure to cooperate with JOBS and apply JOBS program sanctions to the entire family; and limit AFDC receipt to 60 months in a lifetime, with exemptions and case-by-case extensions. The state would extend child care to families earning up to 165 percent of poverty with graduated co-payments based on the cost of care, and change IV-A cases headed by a non-needy non-legally responsible relative to IV-E cases and provide cases headed by an adult SSI recipient a special child-only grant supplement in lieu of the regular AFDC payment for the child. Both types of cases would be exempt from the time limit and work requirements. Further, the state would require minor parents to live with a parent or in an adult-supervised setting. Also the state would establish a competitive process for selection of contractors to administer county programs.

Date Received: 5/8/96; Amendments received 5/17/96.

Type: AFDC.

Current Status: Pending.

Contact Person: Jean Sheil, (608) 266-0613.

Project Title: Wisconsin—Wisconsin Works (W2).

Description: Statewide, would establish performance standards for the administration of Wisconsin Works (W2) along with a competitive process for selection of contractors to administer

county programs. The State would provide—but not guarantee—work positions, child care and health care coverage to families, (as defined by the State,) whose gross income does not exceed 115 percent of the federal poverty level (FPL), whose resources do not exceed \$2,500 (excluding a homestead), and whose total auto equity assets do not exceed \$10,000, with a 60-day State residency requirement for eligibility. The State would count all earned and unearned income, including child support (which will be paid directly to the custodial parent), except for EITC when determining W2 eligibility. The State would require participation in substance abuse and mental health treatment, as appropriate; exempt from a work requirement parents with a child less than 12 weeks old; and provide for an appeal process for W2 eligibility and benefit decisions. The State would review an individual W2 agency's financial eligibility decision only if the applicant petitions the State within 15 days of the decision and would not pay benefits pending a decision. Applicants would be required to search for unsubsidized employment during eligibility determination, and would be denied eligibility if they refused a bona fide offer of employment in the 180 days prior to application. The State would automatically refer all W2 participants to child support for services. The State would require minor parents to live with a parent or in an adult-supervised setting to receive W2 non-employment/non-cash benefits, e.g., financial planning assistance, case management; but minor parents would not be eligible for W2 employment/cash benefits. Teen children must attend school regularly. The state would provide children whose parents are SSI recipients a payment of \$77.

The W2 payment amount would be determined according to job placement: Unsubsidized job, trial job (including up to \$300 per month wage subsidy to employer), community service job (benefit of \$555 per month), and transitional placement (benefit of \$518 per month). Community service Jobs would require 30 hours per week of work plus 10 hours per week of education and training; transitional placement jobs would require 28 hours per week of work plus 12 hours of education and training. In addition CWEP participation would be increased up to 40 hours per week. The State would sanction individuals \$4.25 per each hour of non-participation in work requirements. In addition sanctions would be imposed upon the entire family for refusal to participate, without

good cause, in a W2 employment position. Three refusals to participate in any W2 employment category would result in permanent ineligibility for that category. To assist families with one-time expenses, the State would provide Job Access Loans for employment support needs, e.g., car repair, uniforms, etc; and would extend child care to families earning up to 165 percent of poverty with graduated co-payments based on family income and the category of care used. Child care would only be provided to children under 13.

The State would limit participation to 24 months in any one W2 employment position and would limit lifetime eligibility for benefits to 60 months, with extensions on a case-by-case basis; the 60-month limit would apply to certain JOBS participants beginning July 1, 1996. The State would change AFDC cases headed by a non-legally responsible relative to a IV-E case; provide job search assistance and case management to non-custodial parents with a child support order; impose stricter sanctions for non-cooperation with child support; and permanently deny W2 employment after three Intentional Program Violations. Benefit overpayments will be recouped for intentional violations at a rate set by the State. Corrective payments would not be made for underpayments. Eligibility for Emergency Assistance for certain homeless persons would be limited to once in a 36-month period unless the homelessness was caused by domestic abuse, and the State would allow displacement of regular employees by W2 participants in certain cases: i.e., partial displacement (reduction in hours); impairment of existing contracts; infringement upon promotional opportunities; and filling of any established unfilled position.

The State would eliminate transitional Medicaid and expand Medicaid (i.e., the W2 Health Plan) to families with gross income up to 165 of FPL, who would then remain eligible until their income increases to 200 percent of FPL; and would incorporate a mandatory HMO enrollment or primary provider program for W2 participants. Participants would be required to pay a share of W2 Health Plan premiums according to a sliding scale, and the State would impose stricter Medicaid sanctions for non-cooperation with child support. The State would merge the Food Stamps E&T program with the W2 Work Program; modify the Food Stamps work program exemptions; eliminate the Food Stamps gross income test; require nutrition education for Food Stamps recipients; and cash out food stamps.

Date Received: 5/29/96.

Type: Combined AFDC/Medicaid.

Current Status: Pending.

Contact Person: Jean Sheil, (608) 266-0613.

Project Title: Wyoming—New Opportunities and New Responsibilities—Phase II (Amendments).

Description: Proposes expansion of demonstration provisions currently limited to a pilot site statewide and further amendments to the current demonstration to establish a 5-year lifetime limit on cash assistance for adults, beginning with time on AFDC from July 1, 1987 (with limited exemptions and extensions); pursue child support from the absent minor parent's parents; freeze benefits based on household size 10 months after initial qualification; replace existing earnings disregards for recipients (except no disregard will apply for recipients disqualified due to fraud, education time limits, illegal alien) with a maximum earned income disregard of \$200 for recipients; expand pay-for-performance from AFDC-UP to the regular AFDC population, with limited exemptions, where failure to perform any item in the self-sufficiency plan would cause disqualification of the parent for AFDC, Food Stamps, and Medicaid; reduce the grant by \$40 when a nonexempt child fails to meet the performance requirements; require able-bodied applicants and recipients to do job search for up to 16 weeks unless otherwise exempted; terminate the case when there is loss of contact with the client for 1 month after nonpayment for failure to meet the performance requirements; exclude the earned income and resources of a dependent child who is a full-time high school student; allow payment of the supplied shelter grant for households with a SSI recipient, unmarried minor parents, or recipients disqualified for other reasons (fraud, education time limits, illegal aliens); exclude one licensed vehicle with a fair market value of less than \$12,000; increase the resource limit to \$2,500 for those in compliance with, or exempted from, the performance requirements; and exclude veteran's service connected disability compensation if the annual income is less than the poverty level.

Date Received: 5/13/96.

Type: Combined AFDC/Medicaid.

Current Status: Pending.

Contact Person: Marianne Lee, (307) 777-6849.

III. Listing of Approved Proposals Since August 1, 1995

Project Title: California—Work Pays Demonstration Project (Amendment).
Contact Person: Bruce Wagstaff, (916) 657-2367.

Project Title: Hawaii—Pursuit Of New Opportunities (PONO).

Contact Person: Kristine Foster, (808) 586-5729.

Project Title: Indiana—Impacting Families Welfare Reform Demonstration—Amendments.

Contact Person: James H. Hmurovich, (317) 232-4704.

Project Title: Kansas—Actively Creating Tomorrow for Families Demonstration.

Contact Person: Diane Dystra, (913) 296-3028.

Project Title: Maryland—Family Investment Program (Amendments).

Contact Person: Kathy Cook, (410) 767-7055.

Project Title: Minnesota—Work First Program.

Contact Person: Gus Avenido, (612) 296-1884.

Project Title: Minnesota—AFDC Barrier Removal Project.

Contact Person: Ann Sessoms, (612) 296-0978.

IV. Requests for Copies of a Proposal

Requests for copies of an AFDC or combined AFDC/Medicaid proposal should be directed to the Administration for Children and Families (ACF) at the address listed above. Questions concerning the content of a proposal should be directed to the State contact listed for the proposal.

(Catalog of Federal Domestic Assistance Program, No. 93562; Assistance Payments—Research)

Dated: September 17, 1996.

Howard Rolston,

Director, Office of Planning, Research and Evaluation.

[FR Doc. 96-24207 Filed 9-19-96; 8:45 am]

BILLING CODE 4184-01-P

Food and Drug Administration

[Docket No. 96N-0310]

Environmental Assessments and Findings of No Significant Impact

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that it has reviewed environmental assessments (EA's) and issued findings

of no significant impact (FONSI's) relating to the 51 new drug applications (NDA's) or supplements listed in this document. FDA is publishing this notice because Federal regulations require public notice of the availability of environmental documents.

ADDRESSES: The EA's and FONSI's may be seen in the Dockets Management Branch (HFA-305), Food and Drug Administration, 12420 Parklawn Dr., rm. 1-23, Rockville, MD 20857, or a copy may be requested by writing the Freedom of Information Staff (HFI-35), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Nancy B. Sager, Center for Drug Evaluation and Research (HFD-357), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-594-5721.

SUPPLEMENTARY INFORMATION: Under the National Environmental Policy Act of 1969 (NEPA), Congress declared that it will be the continuing policy of the Federal Government to "use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic and other requirements of present and future generations of Americans." (See 42 U.S.C. 4331(a).) NEPA requires all Federal agencies to include in every proposal for major Federal actions significantly affecting the quality of the human environment, a detailed statement assessing the environmental impact of, and alternatives to, the proposed action and to make available to the public such statements. (See 42 U.S.C. 4332, 40 CFR 1506.6, and 21 CFR 25.41(b).)

FDA implements NEPA through its regulations in part 25 (21 CFR part 25). Under those regulations, actions to approve NDA's and supplements to existing approvals ordinarily require the preparation of an EA. (See § 25.22(a)(8) and (a)(14).)

FDA approved 51 NDA's or supplemental NDA's for the products listed in the following table:

Drug	NDA
Versed (midazolam) Injection	18-654/S-026
Zantac (ranitidine hydrochloride) Tablets	18-703/S-051
Zantac (ranitidine hydrochloride) Syrup	19-675/S-016

Drug	NDA
Prilosec (omeprazole) Capsules	19-810/S-019
Zyrtec (cetirizine hydrochloride) Tablets	19-835
Zofran (ondansetron hydrochloride) Injection	20-007/S-005 and S-018
Paxil (paroxetine hydrochloride) Tablets	20-031/S-007 and S-009
Thioplex (thiotepa) Injection	20-058
Habitrol (nicotine transdermal)	20-076/S-006
Zantac (ranitidine hydrochloride) Capsules	20-095
Flonase (fluticasone propionate) Nasal Spray	20-121
Imitrex (sumatriptan succinate) Tablets	20-132
Effexor (venlafaxine hydrochloride) Tablets	20-151
Serzone (nefazodone hydrochloride) Tablets	20-152
Perindopril Erbumine Tablets	20-184
Prozac (fluoxetine hydrochloride) Capsules/Oral Solution	20-187
Ultravist (iopromide) Injection	20-220
Tagamet (cimetidine) Tablets	20-238
Renormax (spirapril hydrochloride) Tablets	20-240
Lamictal (lamotrigine) Tablets	20-241
Luvox (fluvoxamine maleate) Tablets	20-243
Neurolite (bicisate dihydrochloride) Injection	20-256
Risperdal (risperidone) Caplets	20-272
Ultram (tramadol hydrochloride) Tablets	20-281
Coreg (carvedilol) Tablets	20-297
Trasylol (aprotinin) Injection	20-304
Univasc (moexipril hydrochloride) Tablets	20-312
Pepcid AC (famotidine) Tablets	20-325
Primacor (milrinone lactate) Injection	20-343
Sular (nisoldipine) ER Tablets	20-356

Drug	NDA
Glucophage (metformin hydrochloride) Tablets	20-357
Famvir (famciclovir) Tablets	20-363
Cozaar (losartan potassium) Tablets	20-386
Hyzaar (losartan K/ hydrochlorothiazide) Tablets	20-387
Navelbine (vinorelbine tartrate) Injection	20-388
Atrovent (ipratropium bromide) Nasal Spray	20-393
Atrovent (ipratropium bromide) Nasal Spray	20-394
Prevacid (lansoprazole) Capsules	20-406
Trusopt (dorzolamide HCl) Ophthalmic Solution	20-408
Photofrin (porfimer sodium) Injection	20-451
Precose (acabrose) Tablets	20-482
Casodex (bicalutamide) Tablets	20-498
Zantac (ranitidine hydrochloride) Tablets	20-520
Fosamax (alendronate sodium) Tablets	20-560
Dynabac (dirithromycin) Tablets	50-678
Cedax (ceftibuten) Capsules	50-685
Cedax (ceftibuten) Capsules	50-686
Neoral (cyclosporine microemulsion) Gel	50-715
Neoral (cyclosporine microemulsion) Oral	50-716

As part of its review of each of the NDA's and supplements listed in this table, FDA reviewed an EA. In each instance, FDA found that the approval of the NDA or supplement will not significantly affect the human environment. In accordance with the Council on Environmental Quality regulations in 40 CFR 1501.4(e) and FDA regulations in § 25.32, FDA prepared a FONSI for each NDA and supplement. This notice announces that the EA's and FONSI's for these human drug products may be seen in the Dockets Management Branch (address above) between 9 a.m. and 4 p.m., Monday through Friday. For a fee, copies of these EA's and FONSI's may

be obtained by writing the Freedom of Information Staff (address above). The request should identify by the NDA number the EA's and FONSI's requested. Separate requests should be submitted for each NDA. For additional information regarding the submission of freedom of information requests call 301-443-6310.

Dated: September 13, 1996.

William K. Hubbard,
*Associate Commissioner for Policy
Coordination.*

[FR Doc. 96-24149 Filed 9-19-96; 8:45 am]

BILLING CODE 4160-01-F

[Docket No. 96G-0324]

Roquette America, Inc., and American Maize-Products Co.; Filing of a Petition for Affirmation of GRAS Status

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that Roquette America, Inc., and American Maize-Products Co. have filed a petition (GRASP 6G0421) proposing to affirm that beta-cyclodextrin is generally recognized as safe (GRAS) as a flavor protectant in human food.

DATES: Written comments by December 4, 1996.

ADDRESSES: Submit written comments to the Dockets Management Branch (HFA-305), Food and Drug Administration, 12420 Parklawn Dr., rm. 1-23, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Mitchell A. Cheeseman, Center for Food Safety and Applied Nutrition (HFS-217), Food and Drug Administration, 200 C St. SW., Washington, DC 20204, 202-418-3083.

SUPPLEMENTARY INFORMATION: Under the Federal Food, Drug, and Cosmetic Act (secs. 201(s) and 409(b)(5) (21 U.S.C. 321(s) and 348(b)(5)), and the regulations for affirmation of GRAS status in § 170.35 (21 CFR 170.35), notice is given that Roquette America, Inc., and American Maize-Products Co., c/o Keller and Heckman, 1001 G St. NW., suite 500 West, Washington, DC 20001, have filed a petition (GRASP 6G0421) proposing to affirm that beta-cyclodextrin is GRAS as a flavor protectant in human food.

The petition has been placed on display at the Dockets Management Branch (address above).

Any petition that meets the requirements outlined in §§ 170.30 (21 CFR 170.30) and 170.35 is filed by the

agency. There is no prefiling review of the adequacy of data to support a GRAS conclusion. Thus, the filing of a petition for GRAS affirmation should not be interpreted as a preliminary indication of suitability for GRAS affirmation.

The potential environmental impact of this action is being reviewed. If the agency finds that an environmental impact statement is not required and this petition results in a regulation, the notice of availability of the agency's finding of no significant impact and the evidence supporting that finding will be published with the regulation in the Federal Register in accordance with 21 CFR 25.40(c).

Interested persons may, on or before December 4, 1996, review the petition and file comments with the Dockets Management Branch (address above). Two copies of any comments should be filed and should be identified with the docket number found in brackets in the heading of this document. Comments should include any available information that would be helpful in determining whether the substance is, or is not, GRAS for the proposed use. In addition, consistent with the regulations promulgated under the National Environmental Policy Act (40 CFR 1501.4(b)), the agency encourages public participation by review of and comment on the environmental assessment submitted with the petition that is the subject of this notice. A copy of the petition (including the environmental assessment) and received comments may be seen in the Dockets Management Branch between 9 a.m. and 4 p.m., Monday through Friday.

Dated: August 14, 1996.

Eugene C. Coleman,
*Acting Director, Office of Premarket
Approval, Center for Food Safety and Applied
Nutrition.*

[FR Doc. 96-24148 Filed 9-19-96; 8:45 am]

BILLING CODE 4160-01-F

**Advisory Committee Meeting;
Postponement**

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is postponing the meeting of the Antiviral Drugs Advisory Committee scheduled for September 26 and 27, 1996. The meeting was announced by a notice in the Federal Register of September 4, 1996 (61 FR 46652). This meeting is being postponed to allow time to incorporate the results of additional study information which have recently become available for the

new drug application 20-705, delavirdine (Rescriptor®, Pharmacia and Upjohn Co.) for use in the treatment of human immunodeficiency virus (HIV) infection. The meeting will be rescheduled at a later date and will be announced in the Federal Register.

FOR FURTHER INFORMATION CONTACT: Rhonda W. Stover, Center for Drug Evaluation and Research (HFD-21), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-443-5455; or call the FDA Advisory Committee Information Hotline, 1-800-741-8138 (301-443-0572 in the Washington, DC area), Antiviral Drugs Advisory Committee, code 12531.

Dated: September 13, 1996.

Michael A. Friedman,
Deputy Commissioner for Operations.
[FR Doc. 96-24147 Filed 9-19-96; 8:45 am]
BILLING CODE 4160-01-F

National Institutes of Health

**Submission for OMB Review;
Comment Request; Agricultural Health
Study—A Prospective Cohort Study of
Cancer and Other Diseases Among
Men and Women in Agriculture**

SUMMARY: Under the provisions of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the National Cancer Institute (NCI), the National Institutes of Health has submitted to the Office of Management and Budget (OMB) a request to review and approve the information collection listed below. This proposed information collection was previously published in the Federal Register on June 13, 1996 and allowed 60-days for public comment. No public comments were received. The purpose of this notice is to allow an additional 30 days for public comment. The National Institutes of Health may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented after 10/1/95, unless it displays a currently valid OMB control number.

PROPOSED COLLECTION: Title: Agricultural Health Study—A Prospective Cohort Study of Cancer and Other Diseases Among Men and Women in Agriculture. Type of Information Collection Request: Revision (0925-0406, expiration 8/13/96). Need and Use of Information Collection: The Agricultural Health Study is in its third year of data collection on a prospective cohort of 75,000 farmers, their spouses, and commercial applicators of pesticides from Iowa and North

Carolina. Baseline questionnaires have been completed by these applicators and by spouses of the farmer applicators. These questionnaires collected information about demographics, occupational history, medical history and family medical history. Frequency of Response: Single time reporting. Affected Public: Individuals or households, Farms. Type of respondents: Private pesticide applicators and their spouses. The annual reporting burden is as follows: Estimated Number of Respondents: 13,590; Estimated Number of Responses per Respondent: 1.0; Average Burden Hours Per Response: .6143; and Estimated Total Annual Burden Hours Requested: 8,348. The annualized cost to respondents is estimated at: \$83,480. There are no Capital Costs to report. There are no Operating or Maintenance Costs to report.

REQUEST FOR COMMENTS: Written comments and/or suggestions from the public and affected agencies are invited on one or more of the following points: (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the function of the agency, including whether the information will have practical utility; (2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) Enhance the quality, utility, and clarity of the information to be collected; and (4) Minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

DIRECT COMMENTS TO OMB: Written comments and/or suggestions regarding the items(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the: Office of Management and Budget, Office of Regulatory Affairs, New Executive Office Building, Room 10235, Washington, D.C. 20503, Attention: Desk Officer for NIH. To request more information on the proposed project or to obtain a copy of the data collection plans and instruments, contact: Michael C.R. Alavanja, Dr. P.H., Division of Cancer Epidemiology and Genetics, National Cancer Institute, EPN 430, 6130 Executive Boulevard, Rockville, MD 20852, or call (310) 496-9093, or E-mail your request, including your address to: alavanjam@epndce.nci.nih.gov

COMMENTS DUE DATE: Comments regarding this information collection are best assured of having their full effect if received on or before October 21, 1996.

Dated: September 10, 1996.

Philip D. Amoroso,

NCI Executive Director.

[FR Doc. 96-24209 Filed 9-19-96; 8:45 am]

BILLING CODE 4140-01-M

National Cancer Institute; Amended Notice of Meeting

Notice is hereby given to amend the notice of the National Cancer Institute Board of Scientific Advisors Prevent Program Working Group meeting which was published in the Federal Register (61 FR 47758) on September 10, 1996 to extend the time of the open session of the meeting.

The Board meeting was scheduled to hold an open session on September 17, 1996 from 8 a.m. to 8:30 a.m. The time has been changed to 8:45 a.m. to 12:30 p.m. The open agenda will include a chemoprevention discussion, presentation by the American Association for Cancer Research on its views on prevention research, and remarks by the NCI Director.

Dated: September 13, 1996.

Paula N. Hayes,

Acting Committee Management Officer, NIH.

[FR Doc. 96-24208 Filed 9-19-96; 8:45 am]

BILLING CODE 4140-01-M

Division of Research Grants; Notice of Closed Meetings

Pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following Division of Research Grants Special Emphasis Panel (SEP) meetings:

Purpose/Agenda: To review individual grant applications.

Name of SEP: Behavioral and Neurosciences.

Date: October 21, 1996.

Time: 9:00 a.m.

Place: Holiday Inn-Capitol, Washington, DC.

Contact Person: Dr. Samuel C. Rawlings, Scientific Review Administrator, 6701 Rockledge Drive, Room 5160, Bethesda, Maryland 20892, (301) 435-1243.

Name of SEP: Behavioral and Neurosciences.

Date: October 22, 1996.

Time: 9:00 a.m.

Place: Holiday Inn-Capitol, Washington, DC.

Contact Person: Dr. Samuel C. Rawlings, Scientific Review Administrator, 6701 Rockledge Drive, Room 5160, Bethesda, Maryland 20892, (301) 435-1243.

Name of SEP: Behavioral and Neurosciences.

Date: October 23-25, 1996.

Time: 8:00 a.m.

Place: The Renaissance Mayflower Hotel, Washington, DC.

Contact Person: Dr. David L. Simpson, Scientific Review Administrator, 6701 Rockledge Drive, Room 5192, Bethesda, Maryland 20892, (301) 435-1278.

Name of SEP: Biological and Physiological Sciences.

Date: October 28-30 1996.

Time: 6:00 p.m.

Place: La Posada, Santa Fe, NM.

Contact Person: Dr. Harish Chopra, Scientific Review Administrator, 6701 Rockledge Drive, Room 511, Bethesda, Maryland 20892, (301) 435-1169.

Name of SEP: Clinical Sciences.

Date: November 4-6, 1996.

Time: 8:30 a.m.

Place: Doubletree Hotel, Rockville, MD.

Contact Person: Dr. Gertrude McFarland, Scientific Review Administrator, 6701 Rockledge Drive, Room 4110, Bethesda, Maryland 20892, (301) 435-1784.

Name of SEP: Biological and Physiological Sciences.

Date: November 8, 1996.

Time: 8:30 a.m.

Place: American Inn, Bethesda, MD.

Contact Person: Dr. Nicholas Mazarella, Scientific Review Administrator, 6701 Rockledge Drive, Room 5128, Bethesda, Maryland 20892, (301) 435-1018.

Name of SEP: Multidisciplinary Sciences.

Date: November 18, 1996.

Time: 8:00 a.m.

Place: Holiday Inn-Georgetown, Washington, DC.

Contact Person: Dr. Eileen Bradley, Scientific Review Administrator, 6701 Rockledge Drive, Room 5120, Bethesda, Maryland 20892, (301) 435-1179.

Name of SEP: Multidisciplinary Sciences.

Date: November 21, 1996.

Time: 2:00 p.m.

Place: NIH, Rockledge 2, Room 5118, Telephone Conference.

Contact Person: Dr. Paul Parakkal, Scientific Review Administrator, 6701 Rockledge Drive, Room 5118, Bethesda, Maryland 20892, (301) 435-1172.

Purpose/Agenda: To review Small Business Innovation Research.

Name of SEP: Biological and Physiological Sciences.

Date: October 18, 1996.

Time: 8:00 a.m.

Place: Hyatt Regency, Bethesda, MD.

Contact Person: Dr. Harish Chopra, Scientific Review Administrator, 6701 Rockledge Drive, Room 5112, Bethesda, Maryland 20892, (301) 435-1169.

Name of SEP: Biological and Physiological Sciences.

Date: October 21, 1996.

Time: 8:00 a.m.

Place: Holiday Inn, Chevy Chase, MD.

Contact Person: Dr. Anthony Carter, Scientific Review Administrator, 6701 Rockledge Drive, Room 5108, Bethesda, Maryland 20892, (301) 435-1167.

Name of SEP: Multidisciplinary Sciences.

Date: October 28–29, 1996.

Time: 8:30 a.m.

Place: Holiday Inn, Chevy Chase, MD.

Contact Person: Dr. Houston Baker, Scientific Review Administrator, 6701 Rockledge Drive, Room 5208, Bethesda, Maryland 20892, (301) 435–1175.

Name of SEP: Clinical Sciences.

Date: November 5–6, 1996.

Time: 8:30 a.m.

Place: Holiday Inn, Chevy Chase, MD.

Contact Person: Dr. Nancy Shinowara, Scientific Review Administrator, 6701 Rockledge Drive, Room 5216, Bethesda, Maryland 20892, (301) 435–1173.

Name of SEP: Multidisciplinary Sciences.

Date: November 21–22, 1996.

Time: 8:30 a.m.

Place: Holiday Inn, Chevy Chase, MD.

Contact Person: Dr. Houston Baker, Scientific Review Administrator, 6701 Rockledge Drive, Room 5208, Bethesda, Maryland 20892, (301) 435–1175.

The meetings will be closed in accordance with the provisions set forth in secs. 552b (c)(4) and 552b(c)(6), Title 5, U.S.C. Applications and/or proposals and the discussions could reveal confidential trade secrets of commercial property such as patentable material and personal information concerning individuals associated with the applications and/or proposals, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. (Catalog of Federal Domestic Assistance Program Nos. 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: September 16, 1996.

Paula N. Hayes,

Acting Committee Management Officer, NIH.

[FR Doc. 96–24210 Filed 9–19–96; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–3711–N–04]

Office of the Assistant Secretary for Public and Indian Housing; Announcement of Funding Award for Technical Assistance to Public Housing Authorities and Public Housing Police Departments—Fiscal Year 1994

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Announcement of funding award.

SUMMARY: According to section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989, this document notifies the public of the funding award for Fiscal Year (FY) 1996 Technical Assistance to Public Housing

Authorities and Public Housing Police Departments. The purpose of this document is to announce the name and address of the award winner and the amount of the award.

FOR FURTHER INFORMATION CONTACT:

Malcolm E. Main, Office of Crime Prevention and Security Division, Office Community Relations and Involvement, Public and Indian Housing, Department of Housing and Urban Development, Room 4112, 451 Seventh Street, S.W., Washington, D.C. 20410, telephone (202) 708–1197, ext 4232. A telecommunications device for hearing or speech impaired persons (TDD) is available at (202) 708–0850. (These are not toll-free telephone numbers.)

SUPPLEMENTARY INFORMATION:

I. Authority

This grant is authorized under Chapter 2, Subtitle C, Title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 *et. seq.*), as amended by Section 581 of the National Affordable Housing Act of 1990 (NAHA), approved November 28, 1990, Pub. L. 101–625, and Section 161 of the Housing and Community Development Act of 1992 (HCDA 1992) (Pub. L. 102–550, approved October 28, 1992).

II. Federal Fiscal Year 1996 Funding

Of the total estimated funding, \$10 million will fund drug elimination technical assistance, contracts and other assistance training, program assessments, and execution for or on behalf of public housing and resident organizations (including the cost of necessary travel for participants in such training).

III. Grant Award

On June 28, 1994 (59 FR 33372), HUD published a Notice of Funding Availability (NOFA) announcing the availability of \$1.5 million in FY 1994 funds for Technical Assistance to Public Housing Authorities and Public Housing Police Departments. The Department reviewed, evaluated and scored the applications received based on the criteria in the NOFA. As a result, HUD funded the Center for Public Safety, Inc. This was a cost-reimbursable grant award, grant number VA00TTC0070194, in the amount of \$1,499,348.00, for a 1-year base period, with 4 optional years under this five year project. Each additional fiscal year award will be for comparable amounts based upon an evaluation of grant performance and the availability of funds. Based upon an evaluation of grant performance and the availability of funds on January 5, 1995 HUD and the Center for Public Safety,

Inc., entered into an amendment to the original grant agreement, as amended, for an additional \$2,000,000.00. On August 16, 1996, based upon an evaluation of the Center for Public Safety, Inc.'s performance and the availability of funds and in order to expedite the grant to meet the critical security needs of the remaining housing authority police departments, the Department exercised its final option and is awarding an additional \$4,017,482 to the original grant to complete the project to provide technical assistance to public housing authorities and public housing police departments.

In accordance with section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989 (Pub. L. 101–235, approved December 15, 1989), the Department is publishing details concerning the final extension to the award, as follows:

Grant Recipient: Center for Public Safety, Inc.

Recipient Contact Person: Thomas J. Shaughnessy.

Addresses: Center for Public Safety, Inc., Washington Dulles International Airport, PO Box 20261, Washington, DC 20041–2261.

Recipient Telephone Number: (703) 661–2168.

Original Grant Amount Awarded: \$1,499,348.

First Amendment to Original Grant Amount Awarded: \$2,000,000.

Second Amendment to Original Grant Award Amount: \$4,017,482.

Total Grant Award Amount: \$7,516,830.

IV. General Objectives

The United States Department of Housing and Urban Development and the Center for Public Safety, Inc., (grantee) have entered into a final grant agreement, as amended, for \$4,017,482 of Public and Indian Housing Drug Elimination Program Technical Assistance funds to provide technical assistance to the following public housing authorities:

Baltimore Housing Authority and Community Development, Baltimore, MD
Boston Housing Authority, Boston, MA
Buffalo Housing Authority, Buffalo, NY
Cuyahoga Metropolitan Housing Authority, Cleveland, OH
Housing Authority of the City of Los Angeles, Los Angeles, CA
Housing Authority of the City of Oakland, Oakland, CA
Philadelphia Housing Authority, Philadelphia, PA
Housing Authority of the City of Pittsburgh, Pittsburgh, PA

Waterbury Housing Authority,
Waterbury, CT
Virgin Islands Housing Authority,
Virgin Islands

The Technical Assistance to Public Housing Authorities and Public Housing Authority Police Departments are listed in the Catalog of Federal Domestic Assistance as number 14-854.

Dated: September 16, 1996.

Kevin Emanuel Marchman,
Acting Assistant Secretary for Public and Indian Housing.

[FR Doc. 96-24151 Filed 9-19-96; 8:45 am]

BILLING CODE 4210-33-P

[Docket No. FR-4124-N-04]

Office of the Assistant Secretary for Community Planning and Development; Federal Property Suitable as Facilities To Assist the Homeless

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice identifies unutilized, underutilized, excess, and surplus Federal property reviewed by HUD for suitability for possible use to assist the homeless.

EFFECTIVE DATE: September 20, 1996.

FOR FURTHER INFORMATION CONTACT: Mark Johnston, Department of Housing and Urban Development, Room 7256, 451 Seventh Street SW, Washington, DC 20410; telephone (202) 708-1226; TDD number for the hearing- and speech-impaired (202) 708-2565, (these telephone numbers are not toll-free), or call the toll-free Title V information line at 1-800-927-7588.

SUPPLEMENTARY INFORMATION: In accordance with the December 12, 1988 court order in *National Coalition for the Homeless v. Veterans Administration*, No. 88-2503-OG (D.D.C.), HUD publishes a Notice, on a weekly basis, identifying unutilized, underutilized, excess and surplus Federal buildings and real property that HUD has reviewed for suitability for use to assist the homeless. Today's Notice is for the purpose of announcing that no additional properties have been determined suitable or unsuitable this week.

Dated: September 13, 1996.

Jacque M. Lawing,
Deputy Assistant Secretary for Economic Development.

[FR Doc. 96-23959 Filed 9-19-96; 8:45 am]

BILLING CODE 4210-29-M

[Docket No. FR-4053-N-03]

Office of the Assistant Secretary for Housing-Federal Housing Commissioner; Notice of Extension of Application Due Date for Selected Field Offices Because of Hurricane Fran; Fiscal Year 1996 Notice of Funding Availability (NOFA) for Supportive Housing for Persons With Disabilities

AGENCY: Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

ACTION: Notice of extension of application due date for selected field offices because of hurricane Fran for the Fiscal Year (FY) 1996 Notice of Funding Availability (NOFA) for Supportive Housing for Persons with Disabilities.

SUMMARY: This notice extends to September 27, 1996, the application due date for the FY 1996 NOFA, published on July 8, 1996, for applicants submitting applications to the following HUD Offices: Greensboro, North Carolina; Columbia, South Carolina; and Richmond, Virginia.

APPLICATION PACKAGE: The Application Package can be obtained from the Multifamily Housing Clearinghouse, P.O. Box 6424, Rockville, Maryland 20850, telephone 1-800-685-8470 (the TTY number is 1-800-483-2209); and from the appropriate HUD Office identified in Appendix A to the NOFA published on July 8, 1996, (61 FR 35878). The Application Package includes a checklist of exhibits and steps involved in the application process.

DATES: The deadline for receipt of applications is extended to 4:00 p.m. local time on *September 27, 1996*, for applicants submitting applications to the following HUD Offices: Greensboro, North Carolina; Columbia, South Carolina; and Richmond, Virginia. The application deadline is firm as to *date* and *hour*. In the interest of fairness to all applicants, HUD will not consider any application that is received after the deadline. Sponsors should take this into account and submit applications as early as possible to avoid the risk of unanticipated delays or delivery-related problems. In particular, Sponsors intending to mail applications must provide sufficient time to permit delivery on or before the deadline date. Acceptance by a Post Office or private mailer does not constitute delivery. Facsimile (FAX), COD, and postage due applications will not be accepted.

ADDRESSES: Applications must be delivered to the Director of the Multifamily Housing Division in the HUD Offices in North Carolina, South

Carolina, or Virginia for your jurisdiction. The addresses and telephone numbers of the HUD Offices in North Carolina, South Carolina, and Virginia were included in the list of addresses and telephone numbers, attached as Appendix A to the NOFA published on July 8, 1996, (61 FR 35878). HUD will date and time stamp incoming applications to evidence timely receipt, and, upon request, will provide the applicant with an acknowledgement of receipt.

FOR FURTHER INFORMATION CONTACT: For further information, contact the HUD Offices in Greensboro, North Carolina; Columbia, South Carolina; or Richmond, Virginia, based on the location of your project site as listed in Appendix A to the NOFA published in the Federal Register on July 8, 1996, (61 FR 35878).

SUPPLEMENTARY INFORMATION: On July 8, 1996, (61 FR 35878), HUD published a notice announcing the availability of FY 1996 funding for Supportive Housing for the Elderly. The application due date given in that publication was August 19, 1996. On August 9, 1996, (61 FR 41647), in order to provide more time for the preparation of applications, HUD published a notice extending the application due date to September 6, 1996.

Due to Hurricane Fran which caused travel problems and electrical outages (including an office closure in North Carolina) in HUD Offices in North Carolina, South Carolina and Virginia the week of September 6, 1996, the Department is extending the deadline for applications to be submitted to the Greensboro, North Carolina; Columbia, South Carolina; and Richmond, Virginia Offices to September 27, 1996.

Dated: September 17, 1996.

Nicolas P. Retsinas,

Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. 96-24303 Filed 9-18-96; 12:05 pm]

BILLING CODE 4210-27-M

[Docket No. FR-4052-N-03]

Office of the Assistant Secretary for Housing-Federal Housing Commissioner; Notice of Extension of Application Due Date for Selected Field Offices Because of Hurricane Fran; Fiscal Year 1996 Notice of Funding Availability (NOFA) for Supportive Housing for the Elderly

AGENCY: Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

ACTION: Notice of extension of application due date for Selected Field

Offices because of Hurricane Fran for the Fiscal Year (FY) 1996 NOFA for Supportive Housing for the Elderly.

SUMMARY: This notice extends to September 27, 1996, the application due date for the FY 1996 NOFA, published on July 8, 1996, for applicants submitting applications to the following HUD Offices: Greensboro, North Carolina; Columbia, South Carolina; and Richmond, Virginia.

APPLICATION PACKAGE: The Application Package can be obtained from the Multifamily Housing Clearinghouse, P.O. Box 6424, Rockville, Maryland 20850, telephone 1-800-685-8470 (the TTY number is 1-800-483-2209); and from the appropriate HUD Office identified in Appendix A to the NOFA published on July 8, 1996, (61 FR 35866). The Application Package includes a checklist of exhibits and steps involved in the application process.

DATES: The deadline for receipt of applications is extended to 4:00 p.m. local time on *September 27, 1996*, for applicants submitting applications to the following HUD Offices: Greensboro, North Carolina; Columbia, South Carolina; and Richmond, Virginia. The application deadline is firm as to *date* and *hour*.

In the interest of fairness to all applicants, HUD will not consider any application that is received after the deadline. Sponsors should take this into account and submit applications as early as possible to avoid the risk of unanticipated delays or delivery-related problems. In particular, sponsors intending to mail applications must provide sufficient time to permit delivery on or before the deadline date. Acceptance by a Post Office or private mailer does not constitute delivery. Facsimile (FAX), COD, and postage due applications will not be accepted.

ADDRESSES: Applications must be delivered to the Director of the Multifamily Housing Division in the HUD Offices in North Carolina, South Carolina, or Virginia for your jurisdiction. The addresses and telephone numbers of the HUD Offices in North Carolina, South Carolina, and Virginia were included in the list of addresses and telephone numbers, attached as Appendix A to the NOFA published on July 8, 1996, (61 FR 35866). HUD will date and time stamp incoming applications to evidence timely receipt, and upon request, will provide the applicant with an acknowledgement of receipt.

FOR FURTHER INFORMATION CONTACT:

For further information, contact the HUD Offices in Greensboro, North Carolina; Columbia, South Carolina; or Richmond, Virginia, based on the location of your project site as listed in Appendix A to the NOFA published in the Federal Register on July 8, 1996, (61 FR 35866).

SUPPLEMENTARY INFORMATION: On July 8, 1996, (61 FR 35866), HUD published a notice announcing the availability of FY 1996 funding for Supportive Housing for the Elderly. The application due date given in that publication was August 19, 1996. On August 9, 1996, (61 FR 41647), in order to provide more time for the preparation of applications, HUD published a notice extending the application due date to September 6, 1996.

Due to Hurricane Fran which caused travel problems and electrical outages (including an office closure in North Carolina) in HUD Offices in North Carolina, South Carolina and Virginia the week of September 6, 1996, the Department is extending the deadline for applications to be submitted to the Greensboro, North Carolina; Columbia, South Carolina; and Richmond, Virginia offices to September 27, 1996.

Dated: September 17, 1996.
Nicolas P. Retsinas,
Assistant Secretary for Housing-Federal
Housing Commissioner.
[FR Doc. 96-24304 Filed 9-18-96; 12:05 pm]
BILLING CODE 4210-27-M

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Endangered and Threatened Species Permit Applications

ACTION: Notice of receipt of applications.

SUMMARY: The following applicants have applied for a permit to conduct certain activities with endangered species. This notice is provided pursuant to section 10(c) of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531, *et seq.*).

Permit No. 819132

Applicant: Michael A. Rhodes, Waco, Texas

The applicant requests a permit to conduct population surveys for the golden-cheeked warbler (*Dendroica chrysoparia*), black-capped vireo (*Vireo atricapillus*), and American bald eagle (*Haliaeetus leucocephalus*). Applicant will also monitor foraging habits and observe nesting behavior and success of the American bald eagle. All activities will be conducted in Bell, Bosque,

Coryell, Falls, Hamilton, Hill, Limestone and McLennan counties, Texas.

Permit No. 819338

Applicant: Stephanie Renee Atchison, Fort Smith, Arkansas

The applicant requests a permit to trap the American burying beetle (*Nicrophorus americanus*) found on the coal mining sites of Leflore, Latimer, and Haskell counties in Oklahoma and relocate them to the beetle preserve in Wilburton, Oklahoma in order to protect and preserve the species.

Permit No. 819451

Applicant: Clifton Ladd, Austin, Texas

The applicant requests a permit to survey and study various populations of the golden-cheeked warbler and black-capped vireo in Travis County, Texas, by tape recording songs and calls, playing back songs and calls to determine warbler and vireo presence, mapping territories, watching foraging habits and other behaviors and examining nests to determine nesting success.

Permit No. 819454

Applicant: Dean Keddy-Hector, Kyle, Texas

The applicant requests a permit to color band golden-cheeked warblers on the Balcones Canyonlands National Wildlife Refuge and the Barton Creek Habitat Preserve (TNC) in Travis County, Texas, and to survey and observe bald eagles in Brazoria County, Texas.

Permit No. 819458

Applicant: Harold J. Smith, Ajo, Arizona

The applicant requests a permit to trap and release desert pupfish (*Cyprinodon macularius eremus*); and to survey and monitor lesser long-nosed bats (*Leptonycteris curasoae*), American peregrine falcon (*Falco peregrinus anatum*), and the cactus ferruginous pygmy-owl (*Glaucidium brasilianum*). He also requests salvage authority of dead individuals found.

Permit No. 819471

Applicant: Dr. Bryan T. Brown, Salt Lake City, Utah

The applicant requests a permit to survey for and monitor nests of the Southwestern willow flycatcher (*Empidonax traillii extimus*) on the Verde and San Pedro Rivers in Arizona.

Permit No. 819473

Applicant: James R. Petterson, Jr., Grand Canyon, Arizona

The applicant requests a permit to survey for and monitor nests of the

Southwestern willow flycatcher (*Empidonax traillii extimus*) along the Colorado River corridor within Grand Canyon National Park in Arizona.

Permit No. 819475

Applicant: Michael J. Armbruster, Denver, Colorado

The applicant requests a permit to conduct presence/absence surveys for the Southwestern willow flycatcher in the Pecos River Basin and the Rio Grande River Basin from Velarde in Rio Arriba County to the north end of Elephant Butte Reservoir in Socorro County, New Mexico.

DATES: Written comments on these permit applications must be received October 21, 1996.

ADDRESSES: Written data or comments should be submitted to the Legal Instruments Examiner, Division of Endangered Species/Permits, Ecological Services, P.O. Box 1306, Albuquerque, New Mexico 87103. Please refer to the respective permit number for each application when submitting comments. All comments received, including names and addresses, will become part of the official administrative record and may be made available to the public.

FOR FURTHER INFORMATION CONTACT: U.S. Fish and Wildlife Service, Ecological Services, Division of Endangered Species/Permits, P.O. Box 1306, Albuquerque, New Mexico 87103. Please refer to the respective permit number for each application when requesting copies of documents. Documents and other information submitted with these applications are available for review, subject to the requirements of the Privacy Act and Freedom of Information Act, by any party who submits a written request for a copy of such documents within 30 days of the date of publication of this notice, to the address above.

Lynn B. Starnes,
Regional Director, Region 2, Albuquerque,
New Mexico.

[FR Doc. 96-24146 Filed 9-19-96; 8:45 am]

BILLING CODE 4510-55-U

Endangered and Threatened Species Permit Applications

ACTION: Notice of receipt of applications.

SUMMARY: The following applicants have applied for a permit to conduct certain activities with endangered species. This notice is provided pursuant to section 10(c) of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531, *et seq.*).

Permit No. 819477

Applicant: Kevin L. Hamann.

The applicant requests a permit to conduct field surveys, locate roosts and/or nests, map the distribution, and monitor activities of all Mexican spotted owls (*Strix occidentalis lucida*) located five to six miles north of Tres Ritos on NM Highway 518; at the intersection of NM 48 and the Rio Bonito in Taos County, New Mexico, and along NM Highway 48 between Alto and Angus in Lincoln County, New Mexico.

Permit No. 819489

Applicant: Tod Hull, Flagstaff, Arizona.

The applicant requests a permit to conduct presence/absence surveys for the Southwestern willow flycatcher (*Empidonax traillii extimus*) along the Upper Gila River Area, and the Redrock area south of the Upper Gila River Area in New Mexico.

Permit No. 819491

Applicant: Michael J. Fitzgerald, Farmington, New Mexico.

The applicant requests a permit to conduct presence/absence surveys for the Southwestern willow flycatcher in New Mexico and Arizona.

Permit No. 819493

W.L. Taylor, Santa Fe, New Mexico.

The applicant requests a permit to conduct presence/absence surveys for the Southwestern willow flycatcher in San Juan Pueblo, Ojo Caliente, and Mule Creek, New Mexico.

Permit No. 819528

Applicant: Patricia Mehlhop, Albuquerque, New Mexico.

The applicant requests a permit to conduct presence/absence surveys for the Southwestern willow flycatcher in the Rio Grande Valley from Velarde in Rio Arriba County to the north end of Elephant Butte Reservoir in Socorro County and in the Organ Mountains in Dona Ana County, New Mexico.

Permit No. 819531

Applicant: Russell B. Duncan, Tucson, Arizona.

The applicant requests a permit to conduct field surveys, capture, band, and obtain blood samples from Mexican spotted owls, and conduct field surveys for the Southwestern willow flycatcher, Yuma clapper rail (*Rallus longirostris yumanensis*), desert pupfish (*Cyprinodon macularius*), Gila topminnow (*Poeciliopsis occidentalis occidentalis*), razorback sucker (*Xyrauchen texanus*), Colorado squawfish (*Ptychocheilus lucius*), spikedace (*Meda fulgida*), loach

minnow (*Tiaroga cobitis*) and lesser long-nosed bat.

Permit No. 819536

Applicant: William J. Schreier, Denver, Colorado.

The applicant requests a permit to conduct presence/absence surveys, and map locations and territory distribution for Southwestern willow flycatchers at Rattlesnake Springs, Carlsbad Caverns National Park, Eddy County, New Mexico.

Permit No. 819538

Applicant: Paul E. Sawyer, Phoenix, Arizona.

The applicant requests a permit to conduct presence/absence surveys for Southwestern willow flycatchers in Arizona.

Permit No. 819541

Applicant: Michael Tremble, Gallup, New Mexico.

The applicant requests a permit to conduct presence/absence surveys for Southwestern willow flycatchers, Mexican spotted owls, American peregrine falcons (*Falco peregrine anatum*), and black-footed ferrets (*Mustela nigripes*) on the San Juan River edges and floodplain riparian vegetation at Shiprock, New Mexico and the Navajo Nation in Arizona.

Permit No. 819549

Applicant: Cisney Havaton, Peach Springs, Arizona.

The applicant requests a permit to conduct field surveys, locate, and map the distribution of Mexican spotted owls; and to acquire razorback suckers and transport them to Willow Beach National Fish Hatchery for a radio telemetry study on the Colorado River to stock into the Grand Canyon within the Hualapai Indian Reservation in Peach Springs, Arizona.

Permit No. 819558

Applicant: Warren B. Starnes, Lufkin, Texas.

The applicant requests a permit to survey, monitor, capture, and band red-cockaded woodpeckers (*Picoides borealis*) in State, private, and National Forests and grasslands in East Texas.

DATES: WRITTEN COMMENTS ON THESE PERMIT APPLICATIONS MUST BE RECEIVED BY NO LATER THAN OCTOBER 21, 1996.

ADDRESSES: Written data or comments should be submitted to the Legal Instruments Examiner, Division of Endangered Species/Permits, Ecological Services, P.O. Box 1306, Albuquerque, New Mexico 87103. Please refer to the respective permit number for each application when submitting comments.

All comments received, including names and addresses, received will become part of the official administrative record and may be made available to the public.

FOR FURTHER INFORMATION CONTACT: U.S. Fish and Wildlife Service, Ecological Services, Division of Endangered Species/Permits, P.O. Box 1306, Albuquerque, New Mexico 87103. Please refer to the respective permit number for each application when requesting copies of documents. Documents and other information submitted with these applications are available for review, subject to the requirements of the Privacy Act and Freedom of Information Act, by any party who submits a written request for a copy of such documents within 30 days of the date of publication of this notice, to the address above.

Lynn B. Starnes,
Regional Director, Region 2, Albuquerque,
New Mexico.
[FR Doc. 96-24160 Filed 9-19-96; 8:45 am]
BILLING CODE 4510-55-M

Notice of Availability of a Draft Recovery Plan for the Bluemask (=Jewel) Darter for Review and Comment

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of document availability and public comment period.

SUMMARY: The U.S. Fish and Wildlife Service (Service) announces the availability for public review of a technical/agency draft recovery plan for the bluemask (=jewel) darter. This small darter (2 inches long) is endemic to the Caney Fork River system (above Great Falls), Cumberland River Basin, in central Tennessee. The species was historically known from five rivers and is still known from four of these rivers (Cane Creek, Van Buren County; Collins River, Warren and Grundy Counties; Rocky River, Van Buren County; and Upper Caney Fork River, White County). The Collins River population inhabits about 23 stream miles. However, the other three populations inhabit less than 2.8 stream miles each. Populations of this species have been fragmented by habitat alteration, water withdrawal, and the general deterioration of water quality resulting from siltation and other pollutants contributed by coal mining, gravel mining, poor land use practices, and waste discharges. These factors continue to impact the species and its habitat. The species' present limited distribution also makes it vulnerable to extirpation from stochastic

events such as chemical spills. The Service solicits review and comment from the public on this draft plan.

DATES: Comments on the draft recovery plan must be received on or before November 19, 1996 to receive consideration by the Service.

ADDRESSES: Persons wishing to review the technical/agency draft recovery plan may obtain a copy by contacting the Asheville Field Office, U.S. Fish and Wildlife Service, 160 Zillicoa Street, Asheville, North Carolina 28801 (Telephone 704/258-3939). Written comments and materials regarding the plan should be addressed to the Field Supervisor at the above address. Comments and materials received are available on request for public inspection, by appointment, during normal business hours at the above address.

FOR FURTHER INFORMATION CONTACT: Mr. Richard Biggins, Fish and Mollusk Recovery Coordinator, at the address and telephone number shown in the "Addresses" section (Ext. 228).

SUPPLEMENTARY INFORMATION:

Background

Restoring endangered or threatened animals and plants to the point where they are again secure, self-sustaining members of their ecosystems is a primary goal of the Service's endangered species program. To help guide the recovery effort, the Service is working to prepare recovery plans for most of the listed species native to the United States. Recovery plans describe actions considered necessary for the conservation of the species, criteria for recognizing the recovery levels for downlisting or delisting them, and estimate time and cost for implementing the recovery measures needed.

The Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*) (Act), requires the development of recovery plans for listed species unless such a plan would not promote the conservation of a particular species. Section 4(f) of the Act, as amended in 1988, requires that a public notice and an opportunity for public review and comment be provided during recovery plan development. The Service will consider all information presented during a public comment period prior to approval of each new or revised recovery plan. The Service and other Federal agencies will also take these comments into account in the course of implementing approved recovery plans.

The primary species considered in this draft recovery plan is the bluemask (=jewel) darter (*Etheostoma (Doration) sp.*). The areas of emphasis for recovery

actions are the tributaries of the Caney Fork River system (above Great Falls Reservoir). Cumberland River basin, in central Tennessee. Habitat protection, population augmentation and reintroduction, and the preservation of genetic material are the major objectives of this recovery plan.

Public Comments Solicited

The Service solicits written comments on the recovery plan described. All comments received by the date specified above will be considered prior to approval of the final plan.

Authority: The authority for this action is section 4(f) of the Endangered Species Act, 16 U.S.C. 1533(f).

Dated: September 16, 1996.

Brian P. Cole,

State Supervisor.

[FR Doc. 96-24145 Filed 9-19-96; 8:45 am]

BILLING CODE 4310-55-M

Bureau of Land Management

[AK-962-1410-00-P]

Alaska; Notice for Publication AA-10698 Alaska Native Claims Selection

In accordance with Departmental regulation 43 CFR 2650.7(d), notice is hereby given that a decision to issue conveyance under the provisions of Sec. 14(h)(1) of the Alaska Native Claims Settlement Act of December 18, 1971, 43 U.S.C. 1601, 1613(h)(1), will be issued to Bering Straits Native Corporation for approximately 5.5 acres. The lands involved are in the vicinity of Lapplander Village, Alaska.

Kateel River Meridian, Alaska

T. 19 S., R. 8 W.,

Sec. 31;

Sec. 32.

A notice of the decision will be published once a week, for four (4) consecutive weeks, in the *The Nome Nugget*. Copies of the decision may be obtained by contacting the Alaska State Office of the Bureau of Land Management, 222 West Seventh Avenue, #13, Anchorage, Alaska 99513-7599 (907) 271-5960.

Any party claiming a property interest which is adversely affected by the decision, an agency of the Federal government or regional corporation, shall have until October 21, 1996 to file an appeal. However, parties receiving service by certified mail shall have 30 days from the date of receipt to file an appeal. Appeals must be filed in the Bureau of Land Management at the address identified above, where the requirements for filing an appeal may be obtained. Parties who do not file an

appeal in accordance with the requirements of 43 CFR Part 4, Subpart E, shall be deemed to have waived their rights.

Patricia A. Baker,

Land Law Examiner, ANCSA Team, Branch of 962 Adjudication.

[FR Doc. 96-24143 Filed 9-19-96; 8:45 am]

BILLING CODE 4310-84-U

Final Environmental Impact Statement

ACTION: Notice of availability, final environmental impact statement for the Santa Fe Pacific Gold Corporation's Lone Tree Mine Expansion Project.

SUMMARY: Pursuant to section 102(2)(c) of the National Environmental Policy Act of 1969, notice is given that the Winnemucca District of the Bureau of Land Management (BLM) has prepared, by third party contractor, and made available for a 30-day public review, the Final Environmental Impact Statement for Santa Fe Pacific Gold Corporation's Lone Tree Mine Expansion Project, located in Humboldt County, Nevada.

DATES: The Final Environmental Impact Statement will be distributed and made available to the public on September 13, 1996. The period of availability for public review for the Final Environmental Impact Statement ends on October 15, 1996. At that time a Record of Decision will be issued regarding the Proposed Action.

ADDRESSES: A copy of the Final Environmental Impact Statement can be obtained from: Bureau of Land Management, Winnemucca District Office, 5100 East Winnemucca Boulevard, Winnemucca, Nevada 89445. The Final Environmental Impact Statement is available for inspection at the following locations: Bureau of Land Management Nevada State Office (Reno); Lander and Humboldt County Libraries; and the University of Nevada library in Reno, Nevada.

FOR FURTHER INFORMATION CONTACT: Gerald L. Moritz, Project Manager, at the above Winnemucca District address or telephone (702) 623-1500.

SUPPLEMENTARY INFORMATION: The Final Environmental Impact Statement has been produced in the abbreviated format and must be used in conjunction with the Draft Environmental Impact Statement (DEIS), issued December 15, 1995. Due to informational changes between the Draft and Final, Chapters 3 and 4 of Cultural Resources and Chapter 4 of Water Resources are printed in their entirety. In addition, the Final provides responses to comments received by BLM during the public comment period

on the Draft. The expansion consists of expanding the existing pit onto public lands, continuation of the mine dewatering and discharge system, expansion of the tailings impoundment facility, expansion of the overburden disposal facility, and reclamation of disturbed areas.

Dated: September 12, 1996.

Ron Wenker,

Winnemucca District Manager.

[FR Doc. 96-24099 Filed 9-19-96; 8:45 am]

BILLING CODE 4310-HC-M

[NV-931-1020-001]

Northeastern Great Basin Resource Advisory Council Meeting Location and Time

AGENCY: Bureau of Land Management; Interior.

ACTION: Resource Advisory Councils' meeting location and time.

SUMMARY: In accordance with the Federal Land Policy and Management Act and the Federal Advisory Committee Act of 1972 (FACA), 5 U.S.C., the Department of the Interior, Bureau of Land Management (BLM), Council meetings will be held as indicated below. The agenda for each meeting includes approval of minutes of the previous meeting, continuation of Council orientation, discussion of Standards and Guidelines for management of the public lands within the jurisdiction of the Council, identification of issues to be resolved and determination of the subject matter for future meetings.

All meetings are open to the public. The public may present written comments to the Council. Each formal Council meeting will also have time allocated for hearing public comments. The public comment period for the Council meeting is listed below. Depending on the number of persons wishing to comment and time available, the time for individual oral comments may be limited. Individuals who plan to attend and need further information about the meeting, or need special assistance, such as sign language interpretation or other reasonable accommodations, should contact the District Manager at the Ely District Office, 702 North Industrial Way, HC33 Box 33500, Ely, NV 89301-9408, telephone 702-289-1800.

DATES, TIMES: The time and location of the meeting is as follows: Northeastern Great Basin Resource Advisory Council, BLM Office, 50 Bastian Road, Battle Mountain, Nevada 89820; October 4, 1996, starting at 8:00 a.m.; public

comments will be at 11:00 a.m. and 3:00 p.m.; tentative adjournment 6:00 p.m. If additional time is required to complete the scheduled business, the meeting may continue on October 5 and 6, 1996 following the same meeting and public comment time schedule until the meeting is adjourned.

FOR FURTHER INFORMATION CONTACT:

Curtis G. Tucker, Team Leader for the Northeastern Resource Advisory Council, Ely District Office, 702 North Industrial Way, HC 33 Box 33500, Ely, NV 89301-9408, telephone 702-289-1800.

SUPPLEMENTARY INFORMATION: The purpose of the Council is to advise the Secretary of the Interior, through the BLM, on a variety of planning and management issues, associated with the management of the public lands.

Dated: September 10, 1996.

Gene Kolkman,

District Manager, Ely.

[FR Doc. 96-24103 Filed 9-19-96; 8:45 am]

BILLING CODE 4310-HC-P

[NV-930-1430-01; N-59835]

Notice of Realty Action; Recreation and Public Purposes Act Classification; Lyon County, NV

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The following described land, comprising 5 acres, has been examined and is determined to be suitable for classification for lease or conveyance pursuant to the Recreation and Public Purposes Act, as amended (43 U.S.C. 869 *et seq.*):

Mt. Diablo Meridian, Nevada

T. 18N., R. 24E.,

Sec. 28, Lots 1 and 33.

(containing \pm 5 acres)

DATES: The land will become segregated upon publication of this Notice in the Federal Register. Comments will be accepted on or before November 4, 1996. The land will not be offered for lease until November 19, 1996.

FOR FURTHER INFORMATION CONTACT: Jo Ann Hufnagle, Bureau of Land Management, Carson City District Office, 1535 Hot Springs Road, Suite 300, Carson City, Nevada 89706, (702) 885-6000. Detailed information pertaining to this action is also available for review at the BLM Carson City District Office.

SUPPLEMENTARY INFORMATION: The Fort Churchill Veterans of Foreign Wars (VFW) Post 2288 has submitted an

application for a lease with an option to purchase the 5-acre parcel of land for construction of a veterans' memorial hall and associated facilities, including a rest area and play area. Lease/conveyance is consistent with current BLM land use planning and would be in the public interest. The lease/patent, when issued, will be subject to the provisions of the Recreation and Public Purposes Act and to all applicable regulations of the Secretary of the Interior, and the following reservations to the United States:

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States, Act of August 30, 1890 (43 U.S.C. 945).

2. All mineral deposits in the land so patented, and to it, or persons authorized by it, the right to prospect for, mine and remove such deposits from the same under applicable law and regulations to be established by the Secretary of the Interior.

And will be subject to:

Those rights for highway purposes granted to the Nevada Department of Transportation, its successors or assigns, by right-of-way CC-018095 pursuant to the Act of November 9, 1921 (42 Stat 216).

Those rights for buried gas pipeline purposes granted to Southwest Gas Corporation, its successors or assigns, by rights-of-way Nev-060169 and N-32376 pursuant to the Act of February 25, 1920 (41 Stat 437).

Those rights for buried communication cable purposes granted to AT&T, its successors or assigns, by right-of-way N-46266 pursuant to the Act of October 21, 1976 (43 U.S.C. 1761).

Upon publication of this notice in the Federal Register, the lands will be segregated from all other forms of appropriation under the public land laws, including the general mining laws but not the mineral leasing laws, the material disposal laws, or the Geothermal Steam Act. The segregation shall terminate upon issuance of a conveyance document or publication in the Federal Register of an order specifying the date and time of opening. For a period of 45 days after publication of this notice in the Federal Register, interested parties may submit comments regarding the proposed lease/conveyance or classification to the Assistant District Manager, Non-Renewable Resources, Bureau of Land Management, Carson City District.

Classification Comments

Comments on the classification are restricted to whether the land is physically suited for the proposal,

whether the use will maximize the future use or uses of the land, whether the use is consistent with local planning and zoning, or if the use is consistent with State and Federal programs.

Application Comments

Comments on the application should address the proposed use in the application and plan of development, whether the BLM followed proper administrative procedures in reaching the decision, or any other factor not directly related to the suitability of the land for a veterans' memorial hall.

Objections will be reviewed by the Carson City District Manager who may sustain, vacate or modify this realty action. In the absence of any objections, this realty action will become the final determination of the Department of the Interior.

Dated this 11th day of September, 1996.

James M. Phillips,

Assistant District Manager, Non-Renewable Resources, Carson City District.

[FR Doc. 96-24102 Filed 9-19-96; 8:45 am]

BILLING CODE 4310-HC-M

[ID-957-1020-00]

Filing of Plats of Survey; Idaho

The plat of the following described land was officially filed in the Idaho State Office, Bureau of Land Management, Boise, Idaho, effective 9:00 a.m., September 12, 1996.

The plat representing the dependent resurvey of portions of the west and north boundaries, and the subdivisional lines, and the subdivision of section 6, T. 5 S., R. 7 E., Boise Meridian, Idaho, Group No. 957, was accepted, September 12, 1996.

This survey was executed to meet certain administrative needs of the Bureau of Land Management. All inquiries concerning the survey of the above described land must be sent to the Chief, Cadastral Survey, Idaho State Office, Bureau of Land Management, 3380 Americana Terrace, Boise, Idaho 83706-2500.

Dated: September 12, 1996.

Duane E. Olsen,

Chief Cadastral Surveyor for Idaho.

[FR Doc. 96-24097 Filed 9-19-96; 8:45 am]

BILLING CODE 4310-GG-M

[ID-957-1020-00]

Filing of Plats of Survey; Idaho

The plats of the following described lands were officially filed in the Idaho State Office, Bureau of Land

Management, Boise, Idaho, effective 9:00 a.m., September 12, 1996.

The plat representing the dependent resurvey of portions of the subdivisional lines and the subdivision of sections 23, 24, and 25, T. 4 S., R. 5 E., Boise Meridian, Idaho, Group No. 946, was accepted, September 12, 1996.

The plat representing the dependent resurvey of portions of the west boundary, the subdivisional lines, and the subdivision of sections 30 and 31, T. 4 S., R. 6 E., Boise Meridian, Idaho, Group No. 946, was accepted September 12, 1996.

These surveys were executed to meet certain administrative needs of the Bureau of Land Management. All inquiries concerning the survey of the above described land must be sent to the Chief, Cadastral Survey, Idaho State Office, Bureau of Land Management, 3380 Americana Terrace, Boise, Idaho 83706-2500.

Dated: September 12, 1996.

Duane E. Olsen,

Chief Cadastral Surveyor for Idaho.

[FR Doc. 96-24098 Filed 9-19-96; 8:45 am]

BILLING CODE 4310-GG-M

[MT-960-1990-00-CCAM; MTM 84500]

Amendments to Proposed Withdrawal; Montana

AGENCY: Department of the Interior.

ACTION: Notice.

SUMMARY: The Department of the Interior, Bureau of Land Management, with concurrence from the Department of Agriculture, Forest Service, has amended the withdrawal petition and application for the proposed Cooke City Area Mineral Withdrawal to include additional Federal lands, non-Federal minerals within the withdrawal boundary which may be acquired by the United States, and segregation from mineral leasing, except oil and gas. This amendment will segregate the lands described below from location and entry under the mining laws and the mineral leasing laws, except oil and gas. This amendment will also segregate those lands in the original application from the mineral leasing laws, except oil and gas.

FOR FURTHER INFORMATION CONTACT: Comments should be sent to the Cooke City Area Mineral Withdrawal Team, P.O. Box 36800, Billings, Montana 59107, by December 19, 1996.

SUPPLEMENTARY INFORMATION: On August 27, 1996, and September 13, 1996, petition amendments were approved, and on September 16, 1996, an application amendment was approved.

These amend the original petition and application to include the following Federal lands and non-Federal minerals within the withdrawal boundary which may be acquired by the United States, and to withdraw the following lands and those in the original petition from mineral leasing, except oil and gas. The segregative period for all lands in this proposed withdrawal remains the same.

Principal Meridian, Montana

Federal Lands—

T. 15 E.,

Sec. 32, that part of SW $\frac{1}{4}$ SW $\frac{1}{4}$ lying outside of the Absaroka-Beartooth Wilderness Boundary.

T. 9 S., R. 15 E.,

Sec. 21;

Sec. 22;

Sec. 23, lots 2 and 3, N $\frac{1}{2}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, and bed of Kersey Lake riparian to lots 2 and 3;

Sec. 26, bed of Kersey lake riparian to NW $\frac{1}{4}$ NW $\frac{1}{4}$;

Sec. 27, lots 1 and 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, and bed of Kersey Lake riparian to lots 1 and 2;

Sec. 28, lots 1 to 4, inclusive, and 6 to 9, inclusive, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$ SE $\frac{1}{4}$, and that part of lot 5 and SE $\frac{1}{4}$ SE $\frac{1}{4}$ lying outside of the Absaroka-Beartooth Wilderness boundary;

Sec. 33, lots 1 to 4, inclusive, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, and NW $\frac{1}{4}$, and that part of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ lying outside of the Absaroka-Beartooth Wilderness Boundary;

Sec. 34, lot 4, and that part of lot 3 and W $\frac{1}{2}$ NW $\frac{1}{4}$ lying outside of the Absaroka-Beartooth Wilderness Boundary.

The areas described aggregate approximately 2,965.00 acres.

Non-Federal Minerals—Approximately 4,158.00 acres—

All non-Federal minerals, if returned to Federal ownership, would without further action become subject to the terms and conditions of the subject withdrawal.

The purpose of the proposed withdrawal is for protection of the watersheds within the drainages of the Clarks Fork of the Yellowstone River, Soda Butte Creek, and the Stillwater River, and the water quality and fresh water fishery resources within Yellowstone National Park. The amendments are to include lands identified during public scoping meetings and to meet the intent of the New World Mine Agreement signed August 12, 1996, by Crown Butte Mines, Inc., the Greater Yellowstone Coalition, and the United States.

A withdrawal application, as amended, will be processed in accordance with the regulations set forth in 43 CFR part 2300.

Existing uses of the segregated lands may be continued except for the location or relocation of mining claims during the pendency of the segregative period, including but not limited to all legal ingress and egress to valid mining claims and patented claims, all rights-of-way, all access to non-Federal lands, all current recreational uses, and all

commercial uses requiring special use permits.

Thomas P. Lonnie,

Deputy State Director, Division of Resources.

[FR Doc. 96-24144 Filed 9-19-96; 8:45 am]

BILLING CODE 4310-DN-M

National Park Service

General Management Plan/ Environmental Impact Statement for Whitman Mission National Historic Site, Washington

AGENCY: National Park Service, Interior.

ACTION: Notice of intent to prepare an environmental impact statement.

SUMMARY: The National Park Service will prepare a General Management Plan/Environmental Impact Statement (GMP/EIS) for Whitman Mission National Historic Site.

A General Management Plan sets forth the basic management philosophy for a unit of the National Park System and provides the strategies for addressing issues and achieving identified management objectives for that unit. In the GMP/EIS and its accompanying public review process, the National Park Service will formulate and evaluate the environmental impacts of a range of alternatives to address distinct management strategies for the park, including resource protection and visitor use. The plan will guide the management of natural and cultural resources and visitor use of those resources for the next 15 years. Development concept plans for selected facilities may be included with the GMP.

Scoping is the term given to the process by which the scope of issues to be addressed in the GMP/EIS is identified. Representatives of Federal, State and local agencies, American Indian tribes, private organizations and individuals from the general public who may be interested in or affected by the proposed GMP/EIS are invited to participate in the scoping process by responding to this Notice with written comments. All comments received will become part of the public record and copies of comments, including any names, addresses and telephone numbers provided by respondents, may be released for public inspection.

Among the major issues likely to be addressed in the Whitman Mission GMP/EIS are (1) a clarification of what is to be memorialized at the Site and how that is to be accomplished; (2) the effects of adjacent land uses on park resources; (3) the staffing levels needed to adequately manage resources and

visitor use; (4) future interpretive treatment of the Mission grounds; and (5) infrastructure concerns such as internal road circulation and suitability of existing storage facilities. A full range of alternatives, including "no action" and "minimum requirements" alternatives, will be considered in the GMP/EIS to address these and other issues that may emerge during the planning process.

The draft GMP/EIS is expected to be available for public review by the summer of 1997 with the final version of the GMP/EIS and the Record of Decision to be completed by May 1998.

Because the responsibility for approving the GMP/EIS has been delegated to the National Park Service, the EIS is a "delegated" EIS. The responsible official is Stanley T. Albright, Field Director, Pacific West Area, National Park Service.

DATES: Public scoping meetings will be held Monday, 21 October 1996, 7:00–9:00 p.m. at the park's Visitor Center, located seven miles west of Walla Walla, Washington, and Wednesday, 23 October 1996, 7:00–9:00 p.m. in the Administration Building Dining Room, Walla Walla Community College, 500 Tausick Way, Walla Walla, Washington. Written comments on the scope of the issues and alternatives to be analyzed in the GMP/EIS should be received no later than 31 December 1996.

ADDRESSES: Written comments concerning the GMP/EIS should be sent to the Superintendent, Whitman Mission National Historic Site, Route 2, Box 247, Walla Walla, WA 99362.

FOR FURTHER INFORMATION CONTACT: Superintendent, Whitman Mission National Historic Site, at the above address or at telephone number (509) 522-6360.

Dated: September 9, 1996.

William C. Walters,

Deputy Field Director, Pacific West Area, National Park Service.

[FR Doc. 96-24202 Filed 9-19-96; 8:45 am]

BILLING CODE 4310-70-P

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to the Comprehensive Environmental Response Compensation and Liability Act and the Resource Conservation and Recovery Act

In accordance with Department of Justice policy, 28 C.F.R. § 50.7 and 42 U.S.C. § 9622(d)(2), notice is hereby given that a proposed consent decree in *United States versus Browning-Ferris*

Industries of Vermont, Inc., et al., Civil No. 2:96-CV-309, was lodged on September 16, 1996, with the United States District Court for the District of Vermont. The decree resolves claims against Browning-Ferris Industries of Vermont, Inc. and Disposal Specialists, Inc., in the above-referenced action under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), and under the Resource Conservation and Recovery Act ("RCRA"), for contamination at the BFI/Rockingham Landfill Superfund Site in the Town of Rockingham, Vermont (the "Site"). In the proposed consent decree, the settling defendants agree to reimburse the United States for \$80,000 in past response costs incurred by the Environmental Protection Agency at the Site, pay up to \$200,000 in oversight costs, and perform the remedial action at the Site. The remedial action includes long-term operation, maintenance and monitoring of the landfill cap, gas collection and treatment system and leachate collection system. The Consent Decree includes a covenant not to sue by the United States under Sections 106 and 107 of CERCLA, and under Section 7003 of RCRA.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed consent decree. Comments should be addressed to the Assistant Attorney General for the Environmental and Natural Resources Division, Department of Justice, Washington, D.C. 20530, and should refer to *United States versus Browning-Ferris Industries of Vermont, Inc., et al.*, DOJ Ref. Number 90-11-2-847A. Commenters may request an opportunity for a public meeting in the affected area, in accordance with Section 7003(d) of RCRA.

The proposed consent decree may be examined at the Office of the United States Attorney, 11 Elmwood Ave., Burlington, VT 05402; the New England Region Office of the Environmental Protection Agency, JFK Federal Building, Boston, MA 02203-2211; and the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, D.C. 20005, (202) 624-0892. A copy of the proposed consent decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street, N.W. 4th Floor, Washington, D.C. 20005. In requesting a copy, please refer to the referenced case and enclose a check in the amount of \$27 for the Consent Decree without the Appendices or \$61.75 for the Consent Decree with the Appendices (25 cents per page

reproduction costs), payable to the Consent Decree Library.

Bruce S. Gelber,

Deputy Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 96-24269 Filed 9-19-96; 8:45 am]

BILLING CODE 4410-01-M

Immigration and Naturalization Service

Agency Information Collection Activities: Extension of Existing Collection; Comment Request

ACTION: Notice of information collection under review; monthly report naturalization papers.

Office of Management and Budget (OMB) approval is being sought for the information collection listed below. This proposed information collection was previously published in the Federal Register on July 3, 1996, at 61 FR 34872 allowing for a 60-day public comment period. No comments were received by the Immigration and Naturalization Service. (The 60-day notice published in the Federal Register inadvertently identified the action as a revision to the existing information collection (Form N-4). This notice properly identifies the action as an extension of an existing information collection.

The purpose of this notice is to allow an additional 30 days for public comments until October 21, 1996. This process is conducted in accordance with 5 CFR 1320.10.

Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the Office of Management and Budget, Office of Regulatory Affairs, Attention: Department of Justice Desk Officer, Washington, DC, 20530. Additionally, comments may be submitted to OMB via facsimile to 202-395-7285. Comments may also be submitted to the Department of Justice (DOJ), Justice Management Division, Information Management and Security Staff, Attention: Department Clearance Officer, Suite 850, 1001 G Street, NW, Washington, DC, 20530. Additionally, comments may be submitted to DOJ via facsimile to 202-514-1534.

Written comments and suggestions from the public and affected agencies should address one or more of the following points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency/component,

including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies/components estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

The proposed collection is listed below:

(1) *Type of Information Collection:* Extension of a currently approved collection.

(2) *Title of the Form/Collection:* Monthly Report Naturalization Papers.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form N-4. Office of Examinations, Adjudications, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Federal Government. This form is used by the clerk of courts that administer the oath of allegiance for naturalization to notify the Immigration and Naturalization Service of all persons to whom the oath was administered.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 1,920 responses at 30 minutes (.50) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 960 annual burden hours.

Public comment on this proposed information collection is strongly encouraged.

Dated: September 16, 1996.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 96-24113 Filed 9-19-96; 8:45 am]

BILLING CODE 4410-18-M

Immigration and Naturalization Service

Agency Information Collection Activities: Extension of Existing Collection; Comment Request

ACTION: Notice of information collection under review; affidavit of support.

Office of Management and Budget (OMB) approval is being sought for the information collection listed below. This proposed information collection was previously published in the Federal Register on July 3, 1996, at 61 FR 34871-34872, allowing for a 60-day public comment period. No comments were received by the Immigration and Naturalization Service. (The 60-day notice published in the Federal Register inadvertently identified the action as a revision to the existing information collection (Form I-134). This notice properly identifies the action as an extension of an existing information collection.

The purpose of this notice is to allow an additional 30 days for public comments until October 21, 1996. This process is conducted in accordance with 5 CFR 1320.10.

Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the Office of Management and Budget, Office of Regulatory Affairs, Attention: Department of Justice Desk Officer, Washington, DC, 20530. Additionally, comments may be submitted to OMB via facsimile to 202-395-7285. Comments may also be submitted to the Department of Justice (DOJ), Justice Management Division, Information Management and Security Staff, Attention: Department Clearance Officer, Suite 850, 1001 G Street, NW., Washington, DC 20530. Additionally, comments may be submitted to DOJ via facsimile to 202-514-1534.

Written comments and suggestions from the public and affected agencies should address one or more of the following points:

- (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency/component, including whether the information will have practical utility;
- (2) Evaluate the accuracy of the agencies/components estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- (3) Enhance the quality, utility, and clarity of the information to be collected; and
- (4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of

responses. The proposed collection is listed below:

(1) *Type of Information Collection:* Extension of a currently approved collection.

(2) *Title of the Form/Collection.* Affidavit of support.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form I-134. Office of Examinations, Adjudications, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or households. The information collection is used to determine whether the applicant for benefit will become a public charge if admitted to the United States.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 44,000 responses at 20 minutes (.333) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 14,652 annual burden hours.

Public comment on this proposed information collection is strongly encouraged.

Dated: September 16, 1996.
Robert B. Briggs,
Department Clearance Officer, United States
Department of Justice.
[FR Doc. 96-24110 Filed 9-19-96; 8:45 am]
BILLING CODE 4410-18-M

Agency Information Collection Activities: Extension of Existing Collection; Comment Request

ACTION: Notice of information collection under review; application for posthumous citizenship.

Office of Management and Budget (OMB) approval is being sought for the information collection listed below. This proposed information collection was previously published in the Federal Register on July 10, 1996, at 61 FR 36397-36398 allowing for a 60-day public comment period. No comments were received by the Immigration and Naturalization Service. (The 60-day notice published in the Federal Register inadvertently identified the action as a revision to the existing information collection (Form N-644). This notice properly identifies the action as an extension of an existing information collection.

The purpose of this notice is to allow an additional 30 days for public comments until October 21, 1996. This

process is conducted in accordance with 5 CFR 1320.10.

Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the Office of Management and Budget, Office of Regulatory Affairs, Attention: Department of Justice Desk Officer, Washington, DC, 20530. Additionally, comments may be submitted to OMB via facsimile to 202-395-7285. Comments may also be submitted to the Department of Justice (DOJ), Justice Management Division, Information Management and Security Staff, Attention: Department Clearance Officer, Suite 850, 1001 G Street, NW, Washington, DC, 20530. Additionally, comments may be submitted to DOJ via facsimile to 202-514-1534.

Written comments and suggestions from the public and affected agencies should address one or more of the following points:

- (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency/component, including whether the information will have practical utility;
 - (2) Evaluate the accuracy of the agencies/components estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
 - (3) Enhance the quality, utility, and clarity of the information to be collected; and
 - (4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses. The proposed collection is listed below:
- (1) *Type of Information Collection:* Extension of a currently approved collection.
- (2) *Title of the Form/Collection.* Application for Posthumous Citizenship.
- (3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form N-644. Office of Examinations, Adjudications, Immigration and Naturalization Service.
- (4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or Households. The information collected will be used to determine an applicant's eligibility to request posthumous citizenship status for a decedent and to

determine the decedent's eligibility for such status.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 50 responses at 1 hour and 50 minutes (1.83) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 92 annual burden hours.

Public comment on this proposed information collection is strongly encouraged.

Dated: September 16, 1996.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 96-24111 Filed 9-19-96; 8:45 am]

BILLING CODE 4410-18-M

Agency Information Collection Activities: Extension of Existing Collection; Comment Request

ACTION: Notice of Information Collection Under Review; Arrival Departure Record (Transit Without Visa).

Office of Management and Budget (OMB) approval is being sought for the information collection listed below. This proposed information collection was previously published in the Federal Register on June 12, 1996, at 61 FR 29770, allowing for a 60-day public comment period. No comments were received by the Immigration and Naturalization Service.

The purpose of this notice is to allow an additional 30 days for public comments until October 21, 1996. This process is conducted in accordance with 5 CFR 1320.10.

Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the Office of Management and Budget, Office of Regulatory Affairs, Attention: Department of Justice Desk Officer, Washington, DC, 20530. Additionally, comments may be submitted to OMB via facsimile to 202-395-7285. Comments may also be submitted to the Department of Justice (DOJ), Justice Management Division, Information Management and Security Staff, Attention: Department Clearance Officer, Suite 850, 1001 G Street, NW, Washington, DC, 20530. Additionally, comments may be submitted to DOJ via facsimile to 202-514-1534.

Written comments and suggestions from the public and affected agencies should address one or more of the following points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency/component, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies/components estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological techniques or other forms of information technology, e.g., permitting electronic submission of responses. The proposed collection is listed below:

(1) *Type of Information Collection:* Extension of a current approval collection.

(2) *Title of the Form/Collection.* Arrival Departure Record (Transit Without Visa).

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form I-94T. Inspections Division, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or households. The information collection is used to track the arrival and departure of aliens under the Transit Without Visa program to ensure compliance with 8 CFR 212.1(f) and 8 CFR 214.2(c).

(5) *An estimate of the total number of respondents and the amount of time estimated for an advance respondent to respond:* 200,000 respondents at 4 minutes (.066) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 13,200 annual burden hours.

Public comment on this proposed information collection is strongly encouraged.

Dated: September 16, 1996.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 96-24112 Filed 9-19-96; 8:45 am]

BILLING CODE 4410-18-M

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—the Ohio Aerospace Institute Computer Assisted Minimally Invasive Surgery Project

Notice is hereby given that, on September 4, 1996, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* ("the Act"), the Ohio Aerospace Institute Computer Assisted Minimally Invasive Surgery Project ("CAMIS") has filed written notification simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of plaintiffs to actual damages under specified circumstances. Pursuant to Section 6(b) of the Act, the identities of the parties are Ohio Aerospace Institute, Brook Park, OH; Cleveland Clinic Foundation, Cleveland, OH; Picker International, Highland Heights, OH; Wright State University, Dayton, OH; and Washington University, St. Louis, MO. The project's general area of planned activity is a non-profit joint venture dedicated to research and developing "vision technologies" that can aid doctors in various surgical procedures. CAMIS will provide for the enhancement of existing CAMIS prototype systems with aerospace avionics technologies, and its clinical trials will concentrate on the early treatment of several forms of cancer (brain tumors, prostate and breast) to demonstrate the significant improvements to patient care and cost that this technology provides.

Membership in this project remains open, and CAMIS intends to file additional written notification disclosing all changes in membership. Information regarding participation in CAMIS may be obtained from Eileen Pickett, Ohio Aerospace Institute, Cleveland, OH.

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 96-24213 Filed 9-19-96; 8:45 am]

BILLING CODE 4410-01-M

Immigration and Naturalization Service**Agency Information Collection Activities: Extension of Existing Collection; Comment Request**

ACTION: Notice of information collection under review; Guam visa waiver information.

Office of Management and Budget (OMB) approval is being sought for the information collection listed below. This proposed information collection was previously published in the Federal Register on July 9, 1996, at 61 FR 36082-36083, allowing for a 60-day public comment period. No comments were received by the Immigration and Naturalization Service. (The 60-day notice published in the Federal Register inadvertently identified the action as a revision to the existing information collection (Form I-736). This notice properly identifies the action as an extension of an existing information collection.

The purpose of this notice is to allow an additional 30 days for public comments until October 21, 1996. This process is conducted in accordance with 5 CFR 1320.10.

Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the Office of Management and Budget, Office of Regulatory Affairs, Attention: Department of Justice Desk Officer, Washington, DC, 20530. Additionally, comments may be submitted to OMB via facsimile to 202-395-7285. Comments may also be submitted to the Department of Justice (DOJ), Justice Management Division, Information Management and Security Staff, Attention: Department Clearance Officer, Suite 850, 1001 G Street, NW, Washington, DC, 20530. Additionally, comments may be submitted to DOJ via facsimile to 202-514-1534.

Written comments and suggestions from the public and affected agencies should address one or more of the following points:

- (1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency/component, including whether the information will have practical utility;
- (2) Evaluate the accuracy of the agencies/components estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- (3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

The proposed collection is listed below:

(1) *Type of Information Collection:* Extension of a currently approved collection.

(2) *Title of the Form/Collection.* Guam Visa Waiver Information.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form I-736. Office of Examinations, Inspections Division, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or households. The information collection is used to record an alien's application for a waiver of the non-immigrant visa requirement for entry into Guam in compliance with 8 CFR 212.1(e).

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 170,000 responses at 5 minutes (.083) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 14,110 annual burden hours.

Public comment on this proposed information collection is strongly encouraged.

Dated: September 16, 1996.

Robert B. Briggs,
Department Clearance Officer, United States
Department of Justice.

[FR Doc. 96-24114 Filed 9-19-96; 8:45 am]

BILLING CODE 4410-18-M

DEPARTMENT OF LABOR**Employment and Training Administration**

[TA-W-32,522]

**Bidermann Industries Corporation,
Ralph Lauren Womenswear,
Incorporated, Secaucus, New Jersey;
Notice of Termination of Investigation**

Pursuant to Section 221 of the Trade Act of 1974, an investigation was initiated on July 8, 1996 in response to a worker petition which was filed on behalf of workers at Bidermann Industries Corporation, Ralph Lauren Womenswear, Incorporated, Secaucus, New Jersey.

All workers of the subject firm are covered under an existing certification

(TA-W-32,227A). Consequently, further investigation in this case would serve no purpose; and the investigation has been terminated.

Signed at Washington, D.C. this 30th day of August, 1996.

Russell T. Kile,

Acting Program Manager, Policy and Reemployment Services, Office of Trade Adjustment Assistance.

[FR Doc. 96-24189 Filed 9-19-96; 8:45 am]

BILLING CODE 4510-30-M

Investigations Regarding Certifications of Eligibility To Apply for Worker Adjustment Assistance

Petitions have been filed with the Secretary of Labor under Section 221(a) of the Trade Act of 1974 ("the Act") and are identified in the Appendix to this notice. Upon receipt of these petitions, the Program Manager of the Office of Trade Adjustment Assistance, Employment and Training Administration, has instituted investigations pursuant to Section 221(a) of the Act.

The purpose of each of the investigations is to determine whether the workers are eligible to apply for adjustment assistance under Title II, Chapter 2, of the Act. The investigations will further relate, as appropriate, to the determination of the date on which total or partial separations began or threatened to begin and the subdivision of the firm involved.

The petitioners or any other persons showing a substantial interest in the subject matter of the investigations may request a public hearing, provided such request is filed in writing with the Program Manager, Office of Trade Adjustment Assistance, at the address shown below, not later than September 30, 1996.

Interested persons are invited to submit written comments regarding the subject matter of the investigations to the Program Manager, Office of Trade Adjustment Assistance, at the address shown below, not later than September 30, 1996.

The petitions filed in this case are available for inspection at the Office of the Program Manager, Office of Trade Adjustment Assistance, Employment and Training Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Signed at Washington, D.C. this 19th day of August, 1996.

Russell Kile,

Acting Program Manager, Policy & Reemployment Services, Office of Trade Adjustment Assistance.

APPENDIX

[Petitions instituted on 08/19/96]

TA-W	Subject firm (petitioners)	Location	Date of petition	Product(s)
32,644	Manson Wear, Inc. (Co.)	Tower City, PA	08/07/96	Girl's Woven Pants, Skirts, Shorts.
32,645	Elkem Metals Company (Co.)	Niagara Falls, NY	08/06/96	Additives for Powder Metallurgy Industry.
32,646	Teledyne Ryan (Wkrs)	San Diego, CA	08/09/96	Instrument Panels.
32,647	Erling Riis Research Lab (Wkrs)	Mobile, AL	08/02/96	Research, Chemical Analysis and Sup. Serv.
32,648	Raster Graphics, Inc. (Wkrs)	Redmond, OR	08/06/96	Circuit Boards.
32,649	Rodin Industries, Inc. (Co.)	Scranton, PA	08/06/96	Party Favors.
32,650	Wilson Automation (UAW)	Warren, MI	08/02/96	Automation Components.
32,651	Lukens Steel (Wkrs)	Coatesville, PA	08/05/96	Stainless Steel Products.
32,652	Chas. H. Lilly Co. (Wkrs)	Portland, OR	07/29/96	Chemicals—Garden, Home.
32,653	Premier Edible Oils Corp (IBT)	Portland, OR	08/05/96	Refined Edible Cooking Oil.
32,654	Kulicke and Soffa USA (Wkrs)	Willow Grove, PA	08/06/96	Semiconducting Equipment.
32,655	Clothes Connection (Wkrs)	Santa Ana, CA	08/08/96	Ladies' Budget Sportswear.
32,656	Dynamic Axle Co., Inc. (Co.)	Rancho Domingue, CA	08/07/96	Front Wheel Drive Axles.
32,657	Forstmann & Co., Inc. (Co.)	New York, NY	08/05/96	Woolen and Worsted Yarn and Piece Dye Fabric.
32,658	Advance Pressure Casting (UAW)	Denville, NJ	08/02/96	Aluminum and Zinc Die Castings.
32,659	Scitex America Corp (Wkrs)	Westboro, MA	07/31/96	Digital Scanners, Digital Cameras.
32,660	Amoco Exploration and Prod (Co.)	Houston, TX	08/05/96	Oil and Gas.
32,661	Jo-Nez Apparel, Inc. (Co.)	Tompkinsville, KY	08/06/96	Ladies' Denim-Jeans.
32,662	New Thermal Corp (NOIT)	Keasbey, NJ	07/21/96	Vinyl Extrusions for Windows.
32,663	Cameron Converting, Inc. (Wkrs)	Elizabethtown, NC	07/16/96	Slitter/Rewinders, Castings Shafts.
32,664	Mobile Oil Corp. (Wkrs)	Houston, TX	07/26/96	Oil and Gas.

[FR Doc. 96-24190 Filed 9-18-96; 8:45 am]

BILLING CODE 4510-30-M

[TA-W-32,382 & 382B]

Nazareth/Century Mills, et al; Amended Certification Regarding Eligibility To Apply for Worker Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) the Department of Labor issued a Certification of Eligibility to Apply for Worker Adjustment Assistance on July 3, 1996, applicable to all workers of Bay Springs Apparel, Nazareth Century Mills, Incorporated, Bay Springs, Mississippi. The notice was published in the Federal Register on August 2, 1996 (61 FR 40454).

At the request of the company, the Department reviewed the certification for workers of the subject firm. New information provided by the company shows that worker separations have occurred at the subject firms' Quitman Knitting Mills, Nazareth/Century Mills, Incorporated, Quitman, Mississippi location. The workers are engaged in the production of turtle necks shirts, tank tops and t-shirts products.

The intent of the Department's certification is to include all workers of the subject firm who were adversely affected by increased imports of turtle necks shirts, tank tops and t-shirts.

Accordingly, the Department is amending the certification to cover the workers of Quitman Knitting Mills,

Nazareth/Century Mills, Incorporated, Quitman, Mississippi.

The amended notice applicable to TA-W-32,382 is hereby issued as follows:

All workers of Bay Springs Apparel, Nazareth Century Mills, Incorporated, Bay Springs, Mississippi (TA-W-32,382) and Quitman Knitting Mills, Nazareth Century Mills, Incorporated, Quitman, Mississippi (TA-W-32,382B) who became totally or partially separated from employment on or after May 15, 1995 are eligible to apply for adjustment assistance under Section 223 of the Trade Act of 1974.

Signed at Washington, D.C. this 28th day of August 1996.

Russell T. Kile,

Acting Program Manager, Policy and Reemployment Services, Office of Trade Adjustment Assistance.

[FR Doc. 96-24188 Filed 9-19-96; 8:45 am]

BILLING CODE 4510-30-M

Investigations Regarding Certifications of Eligibility To Apply for Worker Adjustment Assistance

Petitions have been filed with the Secretary of Labor under Section 221 (a) of the Trade Act of 1974 ("the Act") and are identified in the Appendix to this notice. Upon receipt of these petitions, the Program Manager of the Office of Trade Adjustment Assistance, Employment and Training Administration, has instituted investigations pursuant to Section 221 (a) of the Act.

The purpose of each of the investigations is to determine whether the workers are eligible to apply for adjustment assistance under Title II, Chapter 2, of the Act. The investigations will further relate, as appropriate, to the determination of the date on which total or partial separations began or threatened to begin and the subdivision of the firm involved.

The petitioners or any other persons showing a substantial interest in the subject matter of the investigations may request a public hearing, provided such request is filed in writing with the Program Manager, Office of Trade Adjustment Assistance, at the address shown below, not later than September 30, 1996.

Interested persons are invited to submit written comments regarding the subject matter of the investigations to the Program Manager, Office of Trade Adjustment Assistance, at the address shown below, not later than September 30, 1996.

The petitions filed in this case are available for inspection at the Office of the Program Manager, Office of Trade Adjustment Assistance, Employment and Training Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Signed at Washington, D.C. this 26th day of August, 1996.

Russell Kile,

Acting Program Manager, Policy & Reemployment Services, Office of Trade Adjustment Assistance.

PETITIONS INSTITUTED ON 08/26/96

TA-W	Subject firm (petitioners)	Location	Date of petition	Product(s)
32,665	Zenith Data Systems (USWA)	St. Joseph, MI	08/13/96	Desktop & Laptop Computers.
32,666	Speco Corp (UAW)	Springfield, OH	08/12/96	Precision Gears, Components—Aero-space.
32,667	Jar-Car Manufacturing (Comp)	El Paso, TX	07/24/96	Ladies', Men's & Children's Jeans.
32,668	Vanco Industries (Comp)	Eutaw, AL	07/29/96	Pants—Men's & Ladies'.
32,669	Prairie Meat Packer, Inc. (Comp)	Cardington, OH	08/09/96	Horsemeat.
32,670	Dal-Tile Pocatello (Wkrs)	Pocatello, ID	07/12/96	Ceramic Tile.
32,671	Dico Tire Co (Wkrs)	Clinton, TN	08/07/96	Small Industrial Tires.
32,672	Oxford International (Wkrs)	Chicago, IL	08/12/96	Automotive & HiFi Speakers.
32,673	Precision Machining (Comp)	Milwaukee, WI	08/12/96	Jack Bases.
32,674	Artistic Creations (Wkrs)	Roselle, NJ	07/20/96	Christmas Decorations.
32,675	McQueeney Sportswear (Wkrs)	Millwork, AL	08/12/96	Ladies' Blouses.
32,676	Nowasco (Wkrs)	Midland, TX	08/05/96	Oil Service.
32,677	J. Bengamin (Wkrs)	New York, NY	08/06/96	Suits & Dresses.
32,678	Modular Devices, Inc (Comp)	Topprance, CA	08/12/96	Custom Power Supplies.
32,679	H.I.S. (Wkrs)	Belmont, MS	08/09/96	Jeans—Men, Ladies', Childrens.
32,680	Florence Eiseman, Inc (Wkrs)	Fond du Lac, WI	08/07/96	Children's Apparel.
32,681	Robertshaw Controls Co (Comp)	Ellijay, GA	08/12/96	Gas Range Thermostats & Gas Valves.
32,682	BASF Corp, Graphics Group (Wkrs) ..	Holland, MI	07/30/96	Publication Printing Inks & Pigments.
32,683	Newport Shrimp (Wkrs)	Newport, OR	08/02/96	Fish (Processed).
32,684	Southwest Fashion, Inc (Wkrs)	El Paso, TX	08/13/96	Cut Garment Patterns.
32,685	W.W. Henry Co (Comp)	South River, NJ	08/14/96	Powders, Grouts, Adhesives.
32,686	Melton Co (UNITE)	Batavia, NY	08/19/96	Shirts.
32,687	William Rifkin and Sons (Wkrs)	Philadelphia, PA	08/14/96	Ladies' Sleepwear & Loungewear.
32,688	North American (Wkrs)	Womelsdorf, PA	08/13/96	Refractory Products.
32,689	J and J Manufacturing (Wkrs)	Hialeah, FL	07/25/96	Ladies' Men's & Children's Sports-wear.

[FR Doc. 96-24186 Filed 9-19-96; 8:45 am]

BILLING CODE 4510-30-M

[NAFTA-00891 & 00891B]**Cole Haan, et al.; Amended Certification Regarding Eligibility To Apply for NAFTA Transitional Adjustment Assistance**

In accordance with Section 250(a), Subchapter D, Chapter 2, Title II, of the Trade Act of 1974, as amended (19 U.S.C. 2273), the Department of Labor issued an Amended Certification for NAFTA Transitional Adjustment Assistance on May 10, 1996, applicable to workers of Cole Haan, Cole Haan Manufacturing Division, Lewiston, Maine. The notice was published in the Federal Register on June 6, 1996 (61 FR 28903).

At the request of the State Agency, the Department reviewed the certification for workers of the subject firm. New information provided by the company shows that workers separations have occurred at the subject firms' Yarmouth, Maine location. The workers are engaged in the production of moccasins for Cole Haan manufacturing facilities and provided clerical, management and office functions in support of the production of moccasins.

The intent of the Department's certification is to include all workers of

the subject firm who were adversely affected by increased imports of moccasins. Accordingly, the Department is amending the certification to reflect this matter.

The amended notice applicable to NAFTA-00891 is hereby issued as follows:

All workers of Cole Haan, Cole Haan Manufacturing Division, Lewiston, Maine NAFTA-00891, and Cole Haan, Corporate Headquarters Location, Yarmouth, Maines NAFTA-00891B engaged in employment related to the production of moccasins and provided clerical, management and office functions in support of the production of moccasins who became totally or partially separated from employment on or after March 11, 1995 are eligible to apply for NAFTA-TAA under Section 250 of the Trade Act of 1974.

Signed at Washington, DC this 4th day of September 1996.

Russell T. Kile,

Acting Program Manager, Policy and Reemployment Services, Office of Trade Adjustment Assistance.

[FR Doc. 96-24187 Filed 9-19-96; 8:45 am]

BILLING CODE 4510-30-M

Employment Standards Administration/Wage and Hour Division**Minimum Wages for Federal and Federally Assisted Construction; General Wage Determination Decisions**

General wage determination decisions of the Secretary of Labor are issued in accordance with applicable law and are based on the information obtained by the Department of Labor from its study of local wage conditions and data made available from other sources. They specify the basic hourly wage rates and fringe benefits which are determined to be prevailing for the described classes of laborers and mechanics employed on construction projects of a similar character and in the localities specified therein.

The determinations in these decisions of prevailing rates and fringe benefits have been made in accordance with 29 CFR Part 1, by authority of the Secretary of Labor pursuant to the provisions of the Davis-Bacon Act of March 3, 1931, as amended (46 Stat. 1494, as amended, 40 U.S.C. 276a) and of other Federal statutes referred to in 29 CFR Part 1, Appendix, as well as such additional statutes as may from time to time be enacted containing provisions for the payment of wages determined to be prevailing by the Secretary of Labor in accordance with the Davis-Bacon Act.

The prevailing rates and fringe benefits determine in these decisions shall, in accordance with the provisions of the foregoing statutes, constitute the minimum wages payable on Federal and federally assisted construction projects to laborers and mechanics of the specified classes engaged on contract work of the character and in the localities described therein.

Good cause is hereby found for not utilizing notice and public comment procedure thereon prior to the issuance of these determinations as prescribed in 5 U.S.C. 553 and not providing for delay in the effective date as prescribed in that section, because the necessity to issue current construction industry wage determinations frequently and in large volume causes procedures to be impractical and contrary to the public interest.

General wage determination decisions, and modifications and supersedeas decisions thereto, contain no expiration dates and are effective from their date of notice in the Federal Register, or on the date written notice is received by the agency, which is earlier. These decisions are to be used in accordance with the provisions of 29 CFR Parts 1 and 5. Accordingly, the applicable decision, together with any modifications issued, must be made a part of every contract for performance of the described work within the geographic area indicated as required by an applicable Federal prevailing wage law and 29 CFR Part 5. The wage rates and fringe benefits, notice of which is published herein, and which are contained in the Government Printing Office (GPO) document entitled "General Wage Determinations Issued Under The Davis-Bacon And Related Acts," shall be the minimum paid by contractors and subcontractors to laborers and mechanics.

Any person, organization, or governmental agency having an interest in the rates determined as prevailing is encouraged to submit wage rate and fringe benefit information for consideration by the Department. Further information and self-explanatory forms for the purpose of submitting this data may be obtained by writing to the U.S. Department of Labor, Employment Standards Administration, Wage and Hour Division, Division of Wage Determinations, 200 Constitution Avenue, NW., Room S-3014, Washington, DC 20210.

Modifications to General Wage Determination Decisions

The number of decisions listed in the Government Printing Office document entitled "General Wage Determinations

Issued Under the Davis-Bacon and Related Acts" being modified are listed by Volume and State. Dates of publication in the Federal Register are in parentheses following the decisions being modified.

Volume I

New Jersey
NJ960002 (March 15, 1996)
New York
NY960003 (March 15, 1996)
NY960013 (March 15, 1996)

Volume II

Pennsylvania
PA960002 (March 15, 1996)
PA960005 (March 15, 1996)
PA960010 (March 15, 1996)
PA960012 (March 15, 1996)
PA960013 (March 15, 1996)
PA960014 (March 15, 1996)
PA960015 (March 15, 1996)
PA960017 (March 15, 1996)
PA960019 (March 15, 1996)
PA960021 (March 15, 1996)
PA960022 (March 15, 1996)
PA960023 (March 15, 1996)
PA960024 (March 15, 1996)
PA960031 (March 15, 1996)
PA960033 (March 15, 1996)
PA960040 (March 15, 1996)
PA960042 (March 15, 1996)

Volume III

Alabama
AL960008 (March 15, 1996)
Florida
FL960017 (March 15, 1996)
Georgia
GA960004 (March 15, 1996)
GA960031 (March 15, 1996)
GA960033 (March 15, 1996)
GA960062 (March 15, 1996)
GA960089 (March 15, 1996)

Volume IV

Illinois
IL960001 (March 15, 1996)
IL960006 (March 15, 1996)
IL960008 (March 15, 1996)
IL960009 (March 15, 1996)
IL960011 (March 15, 1996)
IL960012 (March 15, 1996)
IL960013 (March 15, 1996)
IL960053 (March 15, 1996)
IL960055 (March 15, 1996)
IL960065 (March 15, 1996)

Volume V

Missouri
MO960002 (March 15, 1996)

Volume VI

Alaska
AK960001 (March 15, 1996)
AK960002 (March 15, 1996)
AK960003 (March 15, 1996)
Colorado
CO960002 (March 15, 1996)
CO960021 (March 15, 1996)

General Wage Determination Publication

General wage determinations issued under the Davis-Bacon and related Acts,

including those noted above, may be found in the Government Printing Office (GPO) document entitled "General Wage Determinations Issued Under The Davis-Bacon and Related Acts". This publication is available at each of the 50 Regional Government Depository Libraries and many of the 1,400 Government Depository Libraries across the country.

The general wage determinations issued under the Davis-Bacon and related Acts are available electronically by subscription to the FedWorld Bulletin Board System of the National Technical Information Service (NTIS) of the U.S. Department of Commerce at (703) 487-4630.

Hard-copy subscriptions may be purchased from: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, (202) 512-1800.

When ordering hard-copy subscription(s), be sure to specify the State(s) of interest, since subscriptions may be ordered for any or all of the six separate volumes, arranged by State. Subscriptions include an annual edition (issued in January or February) which includes all current general wage determinations for the States covered by each volume. Throughout the remainder of the year, regular weekly updates are distributed to subscribers.

Signed at Washington, D.C. this 13th day of September 1996.

Philip J. Gloss,
Chief, Branch of Construction Wage Determinations.

[FR Doc. 96-23882 Filed 9-19-96; 8:45 am]

BILLING CODE 4510-27-M

Bureau of Labor Statistics

Proposed Collection; Comment Request

ACTION: Notice.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a pre-clearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95) (44 U.S.C. 3506(c)(2)(A)). This program helps to ensure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be

properly assessed. Currently, the Bureau of Labor Statistics (BLS) is soliciting comments concerning the proposed extension of the "Standard Industrial Classification (SIC) Refiling Forms."

A copy of the proposed information collection request (ICR) can be obtained by contacting the individual listed below in the addressee section of this notice.

DATES: Written comments must be submitted to the office listed in the addresses section below on or before November 19, 1996. BLS is particularly interested in comments which help the agency to:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses.

ADDRESSES: Send comments to Karin G. Kurz, BLS Clearance Officer, Division of Management Systems, Bureau of Labor Statistics, Room 3255, 2 Massachusetts Avenue N.E., Washington, D.C. 20212. Ms. Kurz can be reached on 202-606-7628 (this is not a toll free number).

SUPPLEMENTARY INFORMATION:

I. Background

The ES-202 Report, produced for each calendar quarter, is a summary of employment, wage, and contribution data submitted to State Employment Security Agencies (SESAs) by employers subject to State Unemployment Insurance (UI) laws. Also included in each State report are similar data for Federal Government employees covered by the Unemployment Compensation for Federal Employees Program. These data are submitted by all 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands and then summarized for the Nation by the Bureau of Labor Statistics (BLS).

The ES-202 program is a comprehensive and accurate source of

monthly employment and quarterly wage data, by industry, at the National, State, and county levels. It provides a virtual census on nonagricultural employees and their wages. In addition, about 40 percent of the workers in agriculture are covered. As the most complete universe of monthly employment and quarterly wage information by industry, county, and State, the ES-202 series has broad economic significance in evaluating labor trends and major industry developments, in time series analysis and industry comparisons, and in special studies such as analysis of wages by size of firm.

The program provides data necessary to both the Employment and Training Administration (ETA) and the SESAs in administering the employment security program. These data accurately reflect the extent of coverage of the State Unemployment Insurance laws and are used to measure UI revenues and disbursements; National, State, and local area employment; and total and taxable wage trends. Further, the information is used in actuarial studies; it is used in determination of experience ratings, maximum benefit levels, and areas needing Federal assistance; and it helps ensure the solvency of Unemployment Insurance funds.

The ES-202 data are also used by a variety of other BLS programs. They serve, for example, as the basic source of benchmark information for employment by industry and by size of unit in the Current Employment Statistics (BLS-790) Program and the Occupational Employment Statistics (OES) Survey Program. They are used as the basic source of place-of-work employment data for non-metropolitan areas in the Local Area Unemployment Statistics (LAUS) Program. The Quarterly Unemployment Insurance Name and Address File, developed in conjunction with the ES-202 Report, serves as a national sampling frame for establishment surveys by the Occupational Compensation Surveys, Employment Cost Index, Producer Price Index, and Occupational Safety and Health Statistics programs. The Bureau of Economic Analysis of the Department of Commerce uses ES-202 wage data as a base for estimating a large portion of the wage and salary component of national personal income and gross national product. These estimates are instrumental in determining Federal allocation of revenue-sharing funds to State and local governments. Finally, the ES-202 is one of the best sources of detailed employment and wage statistics used by business and public and private research organizations.

To assure the continued accuracy of these published economic statistics in terms of industrial classification, the information supplied by the employers must be periodically reviewed and updated. For this purpose, the Industry Verification Statement (both Single and Multiple Worksite), and the Industry Classification Statement (both All Industry and Public Administration) are used in conjunction with the Unemployment Insurance tax reporting system in each State. The information collected on these forms is used to review the current SIC code assigned to each establishment. The SIC for establishments whose business activity has changed since the last review are updated to reflect this change. As a result of these updates, the industry detail data that the Bureau and State Agencies publish reflect changes that occur in the industrial composition of the economy.

II. Current Actions

If the industrial coding review process were not performed, the reliability of estimates for industrial and occupational employment, hours and earnings, producer prices, productivity, and industry wage data would be considerably reduced. All of these programs and their uses (as well as others) are dependent on accurate industrial coding in the design and maintenance of their samples. Inaccurate industrial coding can also adversely affect payments that businesses and/or employees receive from contracts that use industrial earnings data for estimating escalating labor costs.

In addition to obtaining industry data from employers, the Industry Verification Statement and the Industry Classification Statement are designed to obtain information on the type of ownership (private industry or Federal, State, or local government) and geographic location. The ownership data have assumed greater importance since current coding procedures classify establishments engaged in similar activities into the same industry code regardless of ownership. The geographic information is used to assign or verify the location of the establishment. Both ownership and geographic data must be reviewed periodically and updated if necessary, to provide a complete and current industry/area database by ownership. We plan to continue the review of employers' SIC, ownership and geographic codes on a three-year cycle for the entire Unemployment Insurance (UI) universe of accounts, presently numbering approximately 7.2 million units. Each year approximately

one-third of these reporting units, and every five years all accounts classified in public administration, will be reviewed. Data for the ES-202 Program and Unemployment Insurance Name

and Address Files are classified according to industry categories listed in the SIC Manual (SICM).

Type of Review: Revision.

Agency: Bureau of Labor Statistics.

OMB Number: 1220-0032.

Affected Public: Business or other for-profit; Not-for-profit institutions; Farms; Federal government; State, Local or Tribal Government.

Form	Total respondents	Frequency	Total responses	Average time per response (hours)	Estimated total burden (hours)
BLS 3023-VS	5,984,250	Every 3 Yrs.	1,994,750	.083	165,564
BLS 3023-VM	114,590	Every 3 Yrs	38,197	.75	28,647
BLS 3023-CA	53,000	Annually	53,000	.167	8,851
BLS 3023-P .....	.....	Every 5 Yrs. ....	.....	.....	.....
Totals .....	.....	.....	2,085,947	.....	203,062

Total Burden Cost (capital/startup): \$0.

Total Burden Cost (operating/maintaining): \$0.

Comments submitted in response to this comment request will be summarized and/or include in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.

Signed at Washington, D.C., this 17th day of September, 1996.

W. Stuart Rust, Jr.,

Acting Chief, Division of Management Systems, Bureau of Labor Statistics.

[FR Doc. 96-24191 Filed 9-19-96; 8:45 am]

BILLING CODE 4510-24-M

LEGAL SERVICES CORPORATION

Sunshine Act Meeting

TIME AND DATE: The Finance Committee of the Legal Services Corporation's Board of Directors will meet on September 29, 1996. The meeting will begin at 2:00 p.m. and continue until conclusion of the committee's agenda.

LOCATION: Legal Services Corporation, 750 First Street NE., 11th Floor, Washington, DC 20002, (202) 336-8800.

STATUS OF MEETING: Open.

MATTERS TO BE CONSIDERED:

1. Approval of agenda.
2. Approval of minutes of July 19, 1996.
3. Review and consideration of budget and expenses through August 31, 1996.
4. Staff report on efforts at subletting existing LSC office space.
5. Develop a recommendation to make to the Board of Directors on September 30, 1996, as to staff-proposed internal budgetary adjustments to the Corporation's FY '96 Consolidated Operating Budget ("COB").
6. Develop a recommendation to make to the Board of Directors on September 30, 1996, as to approval of staff-proposed FY '96 COB reallocations.
7. Develop a recommendation to make to the Board of Directors on September 30,

1996, as to a proposed temporary FY '97 COB.

8. Develop a recommendation to make to the Board of Directors on September 30, 1996, as to an FY '98 "budget mark" for the Corporation.

9. Consider and act on other business.

CONTACT PERSON FOR INFORMATION:

Victor M. Fortuno, General Counsel, (202) 336-8810.

SPECIAL NEEDS: Upon request, meeting notices will be made available in alternate formats to accommodate visual and hearing impairments. Individuals who have a disability and need an accommodation to attend the meeting may notify Barbara Asante, at (202) 336-8800.

Dated: September 17, 1996.

Victor M. Fortuno,

General Counsel.

[FR Doc. 96-24341 Filed 9-18-96; 1:54 pm]

BILLING CODE 7050-01-P

Sunshine Act Meeting

TIME AND DATE: The Operations and Regulations Committee and the Provision for the Delivery of Legal Services Committee of the Legal Services Corporation's Board of Directors will meet jointly on September 29, 1996. The meeting will begin at 10:00 a.m. and continue until conclusion of the committees' agenda.

LOCATION: Legal Services Corporation, 750 First Street NE., 11th Floor, Washington, DC 20002, (202) 336-8800.

STATUS OF MEETING: Open.

MATTERS TO BE CONSIDERED:

1. Approval of agenda.
2. Approval of Operations and Regulations Committee minutes of July 8-10, 1996.
3. Approval of Operations and Regulations Committee minutes of July 19, 1996.
4. Consider and act on report of staff and OPM on Phase II of recommendations relating to the internal personnel policies of the Corporation.

5. Consider and act on staff report on the Corporation's frequent flyer policy.

6. Consider public comment on four interim regulations published on August 13, 1996:

(a) 45 C.F.R. Part 1610, Use of Non-LSC Funds.

(b) 45 C.F.R. Part 1617, Class Actions.

(c) 45 C.F.R. Part 1632, Redistricting.

(d) 45 C.F.R. Part 1633, Restriction on Representation in Certain Eviction Proceedings.

7. Approval of Provision for the Delivery of Legal Services Committee minutes of May 19, 1996.

8. Report on implementation of competition for FY '97.

9. Report on status of cases and matters initiated by LSC recipients prior to enactment of Pub. L. 104-134 and now restricted by that statute.

10. Status report on proposed revisions to LSC's Audit Guide.

CONTACT PERSON FOR INFORMATION:

Victor M. Fortuno, General Counsel, (202) 336-8810.

SPECIAL NEEDS: Upon request, meeting notices will be made available in alternate formats to accommodate visual and hearing impairments. Individuals who have a disability and need an accommodation to attend the meeting may notify Barbara Asante, at (202) 336-8800.

Dated: September 17, 1996.

Victor M. Fortuno,

General Counsel.

[FR Doc. 96-24342 Filed 9-18-96; 1:54 pm]

BILLING CODE 7050-01-P

Sunshine Act Meeting of the Board of Directors

TIME AND DATE: The Board of Directors of the Legal Services Corporation will meet on September 30, 1996. The meeting will begin at 9:30 a.m. and continue until conclusion of the Board's agenda.

LOCATION: Holiday Inn, 415 New Jersey Ave. NW., Washington, DC 20001, Executive Room.

STATUS OF MEETING: Open, except that a portion of the meeting may be closed pursuant to a unanimous vote of the Board of Directors to hold an executive session. At the executive session, the Board may be briefed by management on internal operational and personnel matters and by the Corporation's Inspector General on activities of the Office of Inspector General. In addition, the General Counsel will report to the Board on litigation to which the Corporation is or may become a party, and the Board may act on the matters reported. The closing is authorized by the relevant section of the Government in the Sunshine Act [5 U.S.C. § 552b(c)(10)] and the corresponding regulation of the Legal Services Corporation [45 CFR § 1622.5(h)].¹ A copy of the General Counsel's Certification that the closing is authorized by law will be posted for public inspection at Corporation headquarters, 750 First Street NE., Washington, DC 20002, in its 11th floor reception area, and will also be available upon request.

MATTERS TO BE CONSIDERED:

1. Approval of agenda.
2. Approval of minutes of July 20, 1996, open session.
3. Approval of minutes of July 20, 1996, executive session.
4. Chairman's and Members' Reports.
5. President's Report.
6. Consider and act on the report of the Board's Finance Committee.
 - a. FY '96 COB budget adjustments.
 - b. FY '96 COB budget reallocations.
 - c. Temporary FY '97 COB.
 - d. FY '98 "budget mark."
7. Inspector General's Report.
8. Consider and act on the report of the Board's Operations and Regulations Committee.
 - a. Internal personnel policies of the Corporation.
 - b. Public comment on four interim regulations:
 - (1) 45 CFR Part 1610, Use of Non-LSC Funds.
 - (2) 45 CFR Part 1617, Class Actions.
 - (3) 45 CFR Part 1632, Redistricting.
 - (4) 45 CFR Part 1633, Restriction on Representation in Certain Eviction Proceedings.
9. Consider and act on the report of the Board's Provision Committee.

CLOSED SESSION:

¹ Briefings do not constitute "meetings," as that term is defined by and used in the Government in the Sunshine Act. Notice of briefings is here provided as a courtesy to the public.

10. Consider and act on the General Counsel's report on potential and pending litigation involving the Corporation.
11. Inspector General's briefing of the Board on activities of LSC's Office of Inspector General.
12. Management's briefing of the Board on internal operations and personnel matters.

OPEN SESSION:

13. Schedule board and committee meetings through December 1996.
14. Public comment.
15. Consider and act on other business.

CONTACT PERSON FOR INFORMATION:

Victor M. Fortuno, General Counsel,
(202) 336-8810.

SPECIAL NEEDS: Upon request, meeting notices will be made available in alternate formats to accommodate visual and hearing impairments. Individuals who have a disability and need an accommodation to attend the meeting may notify Barbara Asante, at (202) 336-8800.

Dated: September 17, 1996.

Victor M. Fortuno,
General Counsel.

[FR Doc. 96-24343 Filed 9-18-96; 1:54 pm]

BILLING CODE 7050-01-P

MORRIS K. UDALL SCHOLARSHIP & EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

Sunshine Act Meeting

The Board of Trustees of the Morris K. Udall Scholarship & Excellence in National Environmental Policy Foundation will hold a meeting beginning at 9:00 a.m. on Friday, September 27, 1996, at the University of Arizona Main Library, Tucson, Arizona 85721.

The matters to be considered will include (1) Approval of the annual budget; (2) Policies re-investments; (3) Reports of on-going Foundation programs; and (4) A report from the Udall Center for Studies and Public Policy. The meeting is open to the public.

Contact Person for More Information: Christopher L. Helms, 803/811 East First Street, Tucson, AZ 85719. Telephone: (520) 670-5523.

Dated this 17th day of September, 1996.

Christopher L. Helms,
Director.

[FR Doc. 96-24271 Filed 9-18-96; 9:51 am]

BILLING CODE 9630-11-M

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

Records Schedules; Availability and Request for Comments

AGENCY: Office of Records Administration, National Archives and Records Administration.

ACTION: Notice of availability of proposed records schedules; request for comments.

SUMMARY: The National Archives and Records Administration (NARA) publishes notice at least once monthly of certain Federal agency requests for records disposition authority (records schedules). Records schedules identify records of sufficient value to warrant preservation in the National Archives of the United States. Schedules also authorize agencies after a specified period to dispose of records lacking administrative, legal, research, or other value. Notice is published for records schedules that (1) propose the destruction of records not previously authorized for disposal, or (2) reduce the retention period for records already authorized for disposal. NARA invites public comments on such schedules, as required by 44 USC 3303a(a).

DATES: Request for copies must be received in writing on or before November 4, 1996. Once the appraisal of the records is completed, NARA will send a copy of the schedule. The requester will be given 30 days to submit comments.

ADDRESSES: Address requests for single copies of schedules identified in this notice to the Records Appraisal and Disposition Division (NIR), National Archives and Records Administration, College Park, MD 20740. Requesters must cite the control number assigned to each schedule when requesting a copy. The control number appears in the parentheses immediately after the name of the requesting agency.

SUPPLEMENTARY INFORMATION: Each year U.S. Government agencies create billions of records on paper, film, magnetic tape, and other media. In order to control this accumulation, agency records managers prepare records schedules specifying when the agency no longer needs the records and what happens to the records after this period. Some schedules are comprehensive and cover all the records of an agency or one of its major subdivisions. These comprehensive schedules provide for the eventual transfer to the National Archives of historically valuable records and authorize the disposal of all other records. Most schedules, however, cover records of only one office or program or

a few series of records, and many are updates of previously approved schedules. Such schedules also may include records that are designated for permanent retention.

Destruction of records requires the approval of the Archivist of the United States. This approval is granted after a thorough study of the records that takes into account their administrative use by the agency of origin, the rights of the Government and of private persons directly affected by the Government's activities, and historical or other value.

This public notice identifies the Federal agencies and their subdivisions requesting disposition authority, includes the control number assigned to each schedule, and briefly describes the records proposed for disposal. The record schedule contains additional information about the records and their disposition. Further information about the disposition process will be furnished to each requester.

Schedules Pending

1. Administrative Office of the United States Courts (N1-116-96-6). Computer output microfiche of docket information stored in the Courtran system, 1978-93.

2. Department of the Army (N1-AU-96-2). Committee management files pertaining to committees for which Army is not the lead agency.

3. Department of Energy, Coordination and Information Center (N1-434-91-7). Records that are routine or duplicative of those proposed as permanent in microform or electronic media.

4. Department of Justice, Bureau of Prisons (N1-129-1). Records documenting routine and facilitative correctional services, maintained in the Guard Captain and Unit Manager's offices.

5. Department of State, Bureau of Administration (N1-59-96-16). Routine and facilitative records relating to property management.

6. Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms (N1-436-94-1). Ad hoc management reports and labels generated by the Firearms Licensing System. The master file for this system has been determined to have sufficient archival value to warrant permanent retention by the National Archives.

7. Department of the Treasury, Office of Thrift Supervision (N1-483-93-1). Comprehensive schedule for the Dissemination Branch (corporate records).

8. Bonneville Power Administration (N1-305-96-1). Routine records covering waste management, system operations and human resources.

9. Pension Benefit Guaranty Corporation (N1-465-96-1). Records of the Financial Operations Division.

10. United States Information Agency, Office of Personnel and Training (N1-306-96-2). Routine and facilitative records relating to training matters.

Dated: August 29, 1996.

Michael W. Anderson,

Acting Assistant Archivist for Records Administration.

[FR Doc. 96-24095 Filed 9-19-96; 8:45 am]

BILLING CODE 7515-01-M

Records Schedules; Availability and Request for Comments

AGENCY: National Archives and Records Administration, Office of Records Administration.

ACTION: Notice of availability of proposed records schedules; request for comments.

SUMMARY: The National Archives and Records Administration (NARA) publishes notice at least once monthly of certain Federal agency requests for records disposition authority (records schedules). Records schedules identify records of sufficient value to warrant preservation in the National Archives of the United States. Schedules also authorize agencies after a specified period to dispose of records lacking administrative, legal, research, or other value. Notice is published for records schedules that (1) propose the destruction of records not previously authorized for disposal, or (2) reduce the retention period for records already authorized for disposal. NARA invites public comments on such schedules, as required by 44 USC 3303a(a).

DATES: Request for copies must be received in writing on or before November 4, 1996. Once the appraisal of the records is completed, NARA will send a copy of the schedule. The requester will be given 30 days to submit comments.

ADDRESSES: Address requests for single copies of schedules identified in this notice to the Records Appraisal and Disposition Division (NIR), National Archives and Records Administration, College Park, MD 20740. Requesters must cite the control number assigned to each schedule when requesting a copy. The control number appears in the parentheses immediately after the name of the requesting agency.

SUPPLEMENTARY INFORMATION: Each year U.S. Government agencies create billions of records on paper, film, magnetic tape, and other media. In order to control this accumulation, agency

records managers prepare records schedules specifying when the agency no longer needs the records and what happens to the records after this period. Some schedules are comprehensive and cover all the records of an agency or one of its major subdivisions. These comprehensive schedules provide for the eventual transfer to the National Archives of historically valuable records and authorize the disposal of all other records. Most schedules, however, cover records of only one office or program or a few series of records, and many are updates of previously approved schedules. Such schedules also may include records that are designated for permanent retention.

Destruction of records requires the approval of the Archivist of the United States. This approval is granted after a thorough study of the records that takes into account their administrative use by the agency of origin, the rights of the Government and of private persons directly affected by the Government's activities, and historical or other value.

This public notice identifies the Federal agencies and their subdivisions requesting disposition authority, includes the control number assigned to each schedule, and briefly describes the records proposed for disposal. The records schedule contains additional information about the records and their disposition. Further information about the disposition process will be furnished to each requester.

Schedules Pending

1. Executive Office of the President, Office of the United States Trade Representative (N1-364-96-2). Electronic and textual records created after July 14, 1994, that are duplicative or deal with routine administrative matters. (Master file of e-mail messages will be preserved.)

2. Executive Office of the President, Office of the United States Trade Representative (N1-364-96-3). Electronic and textual records created after August 14, 1991 and before July 15, 1994, that are duplicative or deal with routine administrative matters. (Master file of e-mail messages will be preserved.)

3. Department of Health & Human Services, Health Care Financing Administration (N1-440-94-1). Medicaid state waivers program files and state ADP systems plan files.

4. Defense Intelligence Agency (N1-373-94-1). Routine and facilitative records.

Dated: September 12, 1996.

James W. Moore,

*Assistant Archivist for Records
Administration.*

[FR Doc. 96-24096 Filed 9-19-96; 8:45 am]

BILLING CODE 7515-01-M

NATIONAL SCIENCE FOUNDATION

Collection of Information; Submission for OMB Review: Comment Request

Title of Proposed Collection: Survey of Graduate Students and Postdoctorates in Science and Engineering.

In compliance with the requirement of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 for opportunity for public comment on proposed data collection projects, the National Science Foundation (NSF) will publish periodic summaries of proposed projects. Such a notice was published at Federal Register 38228, Dated July 23, 1996. No public comments were received.

The materials are now being sent to OMB for review. Send any written comments to Desk Officer: OMB No. 3145-0062, OIRA, Office of Management and Budget, Washington, DC 20503. Comments should be received by October 18, 1996.

Comments are invited on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information on respondents, including through the use of automated collection techniques or other forms of information technology.

Proposed Project: Graduate Students in science, engineering, and health fields in U.S. colleges and universities, by source and mechanism of support and by demographic characteristics—A mail survey, the Survey of Graduate Students and Postdoctorates in Science and Engineering originated in 1966 and has been conducted annually since 1972.

The survey is the academic graduate enrollment components of the NSF statistical program that seeks to "provide a central clearinghouse for the collection, interpretation, and analysis of data on the availability of, and the current and projected need for, scientific and technical resources in the United States, and to provide a source of information for policy formulation by other agencies of the Federal government" as mandated in the

National Science Foundation Act of 1950. The proposed project will continue the current survey cycle for three to five years. The annual Fall surveys for 1996 through 2000 will survey the universe of approximately 725 institutions offering accredited graduate programs in science, engineering, or health. The survey has provided continuity of statistics on graduate school enrollment and support for graduate students in all science and engineering and health fields, with separate data requested on demographic characteristics (race/ethnicity and gender by full-time and part-time enrollment status). Statistics from the survey are published in NSF's annual publication series Academic Science and Engineering Graduates, in NSF publications Science and Engineering Indicators, Women, Minorities, and Persons with Disabilities in Science and Engineering, and are available electronically on the World Wide Web.

The survey will be mailed primarily to the administrators at the Institutional Research Offices. To minimize burden the NSF is exploring possibilities for using an automatic survey questionnaire (ASQ) diskette, on which institutions would receive their previous year's data and a complete program for editing and trend checking. Respondents will be encouraged to participate in this initiative should they so wish. Traditional paper questionnaires will also be available, with edition and trend checking performed as part of the survey processing. The public response burden is estimated to be one hour and forty-five minutes per response.

Dated: September 16, 1996.

Herman G. Fleming,

NSF Reports Clearance Officer.

[FR Doc. 96-24076 Filed 9-19-96; 8:45 am]

BILLING CODE 7555-01-M

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-255]

Consumers Power Company; Notice of Consideration of Issuance of Amendment to Facility Operating License, Proposed No Significant Hazards Consideration Determination, and Opportunity for a Hearing

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. DPR-20 issued to Consumers Power Company (the licensee) for operation of the Palisades Plant located in Van Buren County, Michigan.

The proposed amendment would revise the Palisades Technical Specifications (TS) Administrative Controls section (Section 6) to adopt the format of NUREG-1432, "Standard Technical Specifications, Combustion Engineering Plants." The proposed amendment would also revise definition, safety limit, limiting condition for operation, and surveillance requirement TS associated with the revision of the administrative controls section, and would make editorial revisions to references throughout the TS to 10 CFR Part 20 requirements.

The proposed amendment classified the changes as Less Restrictive, More Restrictive, Relocated, or Administrative.

Proposed changes classified as less restrictive include revision of surveillance intervals for inservice inspection (ISI) of the chemical and volume control system regenerative heat exchanger, inspection of containment spray nozzles, and containment integrated leak rate testing; and revision or deletion of several administrative and reporting requirements.

In addition to these less restrictive changes, the proposed amendment would also add new requirements, or revise certain existing requirements to result in additional operational restrictions (classified as "More Restrictive" changes); relocate selected requirements from the TS to other licensee-controlled documents (classified as "Relocated" changes); and move or clarify requirements within the TS without affecting their technical content (classified as "Administrative" changes).

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration. The NRC staff has reviewed the licensee's analysis

against the three standards of 10 CFR 50.92(c). The staff's review is presented below.

1. Do the proposed changes involve a significant increase in the probability or consequences of an accident previously evaluated?

"Less Restrictive" changes:

The proposed changes to surveillance requirements allow longer surveillance testing intervals. Increasing the surveillance interval does not involve a change to the plant design or operation. Therefore, the proposed changes cannot increase the probability of a previously evaluated accident.

Surveillance intervals established at the time of plant licensing were based on engineering judgement. Reviews of operating experience since that time have found that increases in the surveillance intervals affected by the proposed amendment can be accommodated with minimal increases in overall accident risk. Therefore, the proposed changes in surveillance intervals will not result in a significant increase in the consequences of any accident previously evaluated.

The proposed changes which revise or delete administrative and reporting requirements do not alter plant design or operation. Therefore, they would not increase the probability or consequences of any accident previously evaluated.

"More Restrictive" changes:

These proposed changes add new requirements, or revise existing requirements to result in additional operational restrictions. Since the TS, with all "More Restrictive" changes incorporated, will still contain all of the requirements which existed prior to the changes, "More Restrictive" changes cannot involve a significant increase in the probability or consequences of an accident previously evaluated.

"Relocated" and "Administrative" changes:

These proposed changes relocate requirements from TS to documents controlled in accordance with 10 CFR 50.54(a) or 50.59, or move or clarify requirements within the TS, without affecting their technical content. These changes do not alter plant design or operation. Therefore, they cannot involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Do the proposed changes create the possibility of a new or different kind of accident from any previously evaluated?

"Less Restrictive" changes:

The proposed changes to surveillance requirements allow longer surveillance testing intervals. Increasing the surveillance interval does not involve a change to the plant design or operation.

Therefore, the proposed changes do not create the possibility of a new or different kind of accident from any previously evaluated.

The proposed changes which revise or delete administrative and reporting requirements do not alter plant design or operation. Therefore, they do not create the possibility of a new or different kind of accident from any previously evaluated.

"More Restrictive" changes:

These proposed changes add new requirements, or revise existing requirements to result in additional operational restrictions. Since the TS, with all "More Restrictive" changes incorporated, will still contain all of the requirements which existed prior to the changes, "More Restrictive" changes cannot create the possibility of a new or different kind of accident from any previously evaluated.

"Relocated" and "Administrative" changes:

These proposed changes relocate requirements from TS to documents controlled in accordance with 10 CFR 50.54(a) or 50.59, or move or clarify requirements within the TS, without affecting their technical content. These changes do not alter plant design or operation. Therefore, they do not create the possibility of a new or different kind of accident from any previously evaluated.

3. Do the proposed changes involve a significant reduction in a margin of safety?

"Less Restrictive" changes:

The proposed changes to surveillance requirements allow longer surveillance testing intervals. Increasing a surveillance interval does not involve a change to the plant design or operation. The margins of safety which may be impacted by the proposed changes involve the peak containment temperature and pressure and the offsite dose consequences of design-basis accidents. With respect to the regenerative heat exchanger, the proposed testing interval is consistent with the interval required by the American Society of Mechanical Engineers Boiler and Pressure Vessel Code, which is considered adequate to ensure system integrity; the increased probability of system leakage due to the increased testing interval is minimal; and any leakage would be retained within the primary containment. With respect to the containment spray nozzles, the increased probability of spray nozzle blockage due to the increased testing interval is minimal; and the containment air coolers provide a redundant means of controlling containment atmosphere temperature

and pressure. With respect to the containment leak rate testing interval, the proposed change does not modify the containment performance criteria. Therefore, operation of the facility in accordance with the proposed changes does not involve a significant reduction in a margin of safety.

The proposed changes which revise or delete administrative and reporting requirements do not alter plant design or operation. Therefore, they do not involve a significant reduction in a margin of safety.

"More Restrictive" changes:

These proposed changes add new requirements, or revise existing requirements to result in additional operational restrictions. Since the TS, with all "More Restrictive" changes incorporated, will still contain all of the requirements which existed prior to the changes, "More Restrictive" changes cannot involve a significant reduction in a margin of safety.

"Relocated" and "Administrative" changes:

These proposed changes relocate requirements from TS to documents controlled in accordance with 10 CFR 50.54(a) or 50.59, or move or clarify requirements within the TS, without affecting their technical content. These changes do not alter plant design or operation. Therefore, they do not involve a significant reduction in a margin of safety.

Based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action, it will publish in the Federal Register a notice of issuance and provide for opportunity

for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Chief, Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and should cite the publication date and page number of this Federal Register notice. Written comments may also be delivered to Room 6D22, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Copies of written comments received may be examined at the NRC Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC.

The filing of requests for hearing and petitions for leave to intervene is discussed below.

By October 21, 1996, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. Interested persons should consult a current copy of 10 CFR 2.714 which is available at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Van Wylen Library, Hope College, Holland, Michigan 49423. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) The nature of the

petitioner's right under the Act to be made party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to 15 days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than 15 days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter. Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner shall provide a brief explanation of the bases of the contention and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner must also provide references to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. Petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Docketing and Services Branch, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. Where petitions are filed during the last 10 days of the notice period, it is requested that the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at 1-(800) 248-5100 (in Missouri 1-(800) 342-6700). The Western Union operator should be given Datagram Identification Number N1023 and the following message addressed to John Hannon: petitioner's name and telephone number, date petition was mailed, plant name, and publication date and page number of this Federal Register notice. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and to Judd L. Bacon, Esquire Consumers Power Company, 212 West Michigan Avenue, Jackson, Michigan 49201, attorney for the licensee.

Untimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1) (i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated December 11, 1995, as supplemented by letters dated January 18, 1996, and September 3, 1996, which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Van Wylen Library, Hope College, Holland, Michigan 49423.

Dated at Rockville, Maryland, this 16th day of September 1996.

For the Nuclear Regulatory Commission.

Robert G. Schaaf,

*Project Manager, Project Directorate III-1,
Division of Reactor Projects—III/IV, Office of
Nuclear Reactor Regulation.*

[FR Doc. 96-24132 Filed 8-19-96; 8:45 am]

BILLING CODE 7590-01-P

[EA 96-302]

**GRD Steel Corporation (GRD); Order
Suspending License (Immediately
Effective) and Requiring Transfer of
Licensed Material**

I

GRD Steel Corporation, (Licensee) is the holder of NRC License No. 37-30147-01 issued by the Nuclear Regulatory Commission (NRC or Commission) on February 6, 1995 pursuant to 10 CFR Part 30. License No. 37-30147-01 authorizes the possession and use of up to 10 millicuries of cobalt-60 in sealed sources (with a maximum activity per source of 3.3 millicuries). The license is due to expire on February 28, 2005. GRD was engaged in the manufacturing of carbon steel.

II

On December 22, 1995, the NRC issued a Notice of Violation to GRD for two violations of NRC requirements. GRD responded to the Notice of Violation on December 29, 1995. Since the NRC had questions concerning the adequacy of the GRD response regarding locking of the sources, the NRC Region I staff contacted GRD's Radiation Safety Officer (RSO) (Mr. Mauro Coruzzi) on March 28, 1996, by telephone. The RSO indicated that GRD's operations had ceased and he was no longer working for GRD; the employment of all GRD employees was either terminated or transferred to another steel company (Commercial Steel Corporation (Commercial Steel)); and the owner of the building that housed the GRD operation was the Monongahela Industrial Development Association (MIDA) which now held title to GRD's Mid Mound Center facility and to both gauges as a result of its purchase at a sheriff's foreclosure sale of the property of GRD, and which was controlling access to the building via the posting of guards. MIDA is not licensed by the NRC to possess radioactive material.

On April 10, 1996, Region I contacted Mr. Coruzzi by telephone because GRD had not made a formal declaration of bankruptcy or requested the NRC to assent to a change of ownership. The RSO indicated that GRD was not in

bankruptcy nor had there been a change of ownership. However, he did indicate that MIDA had taken control of the facility because of GRD's apparent abandonment of the facility. He also indicated that the two gauges located at the facility, each containing approximately 3.3 millicuries of cobalt-60, were locked and not in use, nor could the gauges be accessed by unauthorized personnel because he was the only person in possession of the key used to unlock the gauges.

During the April 10, 1996 conversation, Region I requested that GRD promptly document the information received verbally from the RSO. Since such documentation was not promptly received by the NRC, the NRC sent GRD a letter, dated April 23, 1996, advising the company to notify the NRC if it decided to change ownership, terminate licensed activities, or declare bankruptcy. GRD did not reply to that letter. As a result, on June 18, 1996, Mr. Coruzzi was again contacted by telephone by NRC, Region I. At that time, Mr. Coruzzi informed the NRC that the GRD President, Mr. Pradip K. Ghosh, was working for Commercial Steel, Glassport, Pennsylvania.

Shortly thereafter, on June 19, 1996, NRC Region I telephoned Mr. Ghosh, because of NRC concerns that (1) the gauges were in the possession of MIDA, and that GRD had transferred material to MIDA, an unlicensed entity, in violation of the requirements of 10 CFR 30.3 and 10 CFR 30.41, and (2) there might have been a transfer of control of the license without first obtaining the Commission's consent in writing as required by 10 CFR 30.34(b). During that conversation, Mr. Ghosh made a number of commitments to the NRC, including the commitment to contact APGEE/Berthold, the manufacturer of the gauges, by July 15, 1996, to arrange for return of the gauges to the manufacturer. Mr. Ghosh also committed to provide a completed Certificate of Disposition (NRC Form 314) to the NRC, and request that its license be terminated, by July 31, 1996. The NRC issued a Confirmatory Action Letter (CAL) to confirm these commitments on June 20, 1996. A copy of this CAL was also sent to MIDA.

On June 24, 1996, GRD sent the NRC Region I office a facsimile which stated that it was not correct to state that GRD had sold the property to MIDA and therefore it was not correct to conclude that GRD had transferred the license. GRD also stated that it did not want to terminate the license, and that it was working to gain additional financial backing in order to restart the operation, and requested that the gauges be kept in

place to facilitate restarting the operation.

On June 26, 1996, Supplement 1 to the CAL was issued to GRD and a copy was sent to MIDA. The CAL replaced the statement that GRD would request termination of its license by July 31, 1996, with the statement that GRD would maintain its license until a final determination was made with regard to the future of the company.

On August 6, 1996, NRC Region I learned that the facility had been broken into approximately two to three weeks earlier. Subsequently on August 6, 1996, NRC Region I telephoned Ms. Lue Ann Pawlick, the General Manager of MIDA, about the apparent break-in at the facility. The General Manager described the materials taken from the facility, and indicated that the gauges were not affected by the break-in, all materials had been recovered, the perpetrators had been apprehended, and additional local police patrols and daily walk-throughs by a local president of the steel workers union were being performed.

On August 6, 1996, NRC Region I attempted to contact the President of GRD. At that time, the NRC learned that the President would be out of the country until early September and could not be reached.

On August 12, 1996, the NRC issued a Confirmatory Order to MIDA to assure that MIDA maintains control of the NRC-licensed gauges and that the gauges will remain locked at all times; that MIDA request additional patrols from the local police in the area, until such time as the gauges are transferred to an authorized recipient; that MIDA perform daily walk-throughs of the plant to ensure that the gauges had not been tampered with; that MIDA either obtain a license from the NRC to possess the material or to transfer the material to a specific NRC or Agreement State licensee authorized to possess such material, and, in the absence of obtaining a license from the NRC to possess the gauges, transfer the gauges within 90 days from the date of this Order, either back to the manufacturer, or to another authorized recipient; and that MIDA inform the NRC by August 19, 1996 under oath or affirmation regarding the specific actions MIDA will take to comply with these conditions.

The NRC has also received information from the Pennsylvania Corporation Bureau that indicated that there was some similarity in corporate officers of GRD Steel and Commercial Steel. The NRC has determined that the President and Radiation Safety Officer (RSO) of GRD Steel are currently employed by Commercial Steel, and that telephone calls to GRD are answered by

Commercial Steel, and that the address of both companies is the same.

III

Based on the above, it appears that GRD Steel, its employees, including the President and the Radiation Safety Officer, have willfully permitted the licensed gauges to be transferred to MIDA, an entity known by GRD not to have an NRC license to possess radioactive material. GRD Steel, as the licensee, remains responsible for assuring that the licensed material is possessed and controlled by a licensee of the Commission or an Agreement State and, therefore, is jointly and severally responsible with MIDA for the proper transfer of that licensed material now possessed by MIDA. Further, the actions of GRD Steel, including the failure to reply to NRC inquiries and to reply completely to the Notice of Violation issued in December 1995 in a timely manner, indicate that GRD Steel is not able to conduct its program in accordance with all NRC requirements.

Consequently, I lack the requisite reasonable assurance that the Licensee's activities can be conducted under License No. 37-30147-01 in compliance with the Commission's requirements and that the health and safety of the public, including the Licensee's employees, will be protected. Therefore, public health, safety, and interest require that License No. 37-30147-01 be suspended. Furthermore, pursuant to 10 CFR 2.202, I find that the significance of the violation described above is such that public health, safety, and interest require that this Order be immediately effective.

IV

Accordingly, pursuant to sections 81, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR Part 30, it is hereby ordered, effective immediately, that:

A. GRD's authority under License No. 37-30147-01 to receive, possess, and use radioactive material is suspended. GRD may only possess material for the purpose of transferring it to an authorized recipient under condition B below;

B. GRD will transfer, in cooperation with MIDA, all NRC-regulated material to an authorized recipient within 60 days of receipt of this Order. If GRD believes it does not have sufficient funds to complete the transfer, it must provide, within 30 days of this Order, evidence supporting such a claim by submitting to the Director, Office of

Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, in writing under an oath or affirmation:

(1) An estimate of the cost of the transfer and the basis for the estimate, including the license number and identity of the entity that would perform the transfer;

(2) Written statements from at least two banks stating that GRD could not qualify for a loan to pay for the transfer;

(3) Copies of the Federal income tax return for the years ending 1994 and 1995 for GRD Steel Corporation and its officers;

(4) Copies of profit and loss statements from GRD Steel Corporation for these same years;

C. GRD shall notify NRC Region I at least two working days prior to the date of the transfer so that NRC may, if it elects, observe the transfer of this material to an authorized recipient;

D. GRD, within seven days following the completion of the transfer, shall provide to the Regional Administrator, Region I:

(1) Confirmation in writing (NRC Form 314) that the radioactive material has been transferred; and

(2) A copy of the certification from the authorized recipient that the material has been received.

E. The provisions of Section IV of this Order do not relieve MIDA of any requirement imposed by the Confirmatory Order dated August 12, 1996, identified in Section II of this Order.

The Regional Administrator, Region I, may relax or rescind, in writing, any of the above conditions upon a showing by GRD of good cause.

V

In accordance with 10 CFR 2.202, the Licensee must, and any other person adversely affected by this Order may, submit an answer to this Order, and may request a hearing within 20 days of the date of this Order. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be made in writing to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, and include a statement of good cause for the extension. The answer may consent to this Order. Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically admit or deny each allegation or charge made in this order and set forth the matters of fact and law on which the Licensee or other person adversely affected relies and the

reasons as to why the Order should not have been issued. Any answer or request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, ATTN: Chief, Docketing and Service Section, Washington, D.C. 20555. Copies also shall be sent to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, to the Assistant General Counsel for Hearings and Enforcement at the same address, to the Regional Administrator, NRC Region I, 475 Allendale Road, King of Prussia, Pennsylvania, 19406-1415, and to the Licensee. If such a person requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by the Licensee or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(i), the Licensee, or any other person adversely affected by this Order, may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received. An answer or a request for hearing shall not stay the immediate effectiveness of this order.

Dated at Rockville, Maryland this 13th day of September 1996.

For the Nuclear Regulatory Commission.

Hugh L. Thompson, Jr.,

Deputy Executive Director for Nuclear Materials Safety, Safeguards, and Operations Support.

[FR Doc. 96-24133 Filed 9-19-96; 8:45 am]

BILLING CODE 7590-01-P

[Docket No. 50-336]

**Northeast Utilities Service Company;
Notice of Consideration of Issuance of
Amendment to Facility Operating
License, Proposed No Significant
Hazards Consideration Determination,
and Opportunity for a Hearing**

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. DPR-65 issued to Northeast Nuclear Energy Company, et al. (the licensee) for operation of the Millstone Nuclear Power Station, Unit No. 2, located in New London, Connecticut.

The proposed amendment was requested on August 27, 1996. The proposed changes would clarify the Millstone Unit No. 2 Technical Specifications (TSs) limiting condition for operation (LCO) and surveillance requirements for the charging pumps and high pressure safety injection (HPSI) pumps when the unit is shut down (Modes 5 and 6).

The maximum number of pumps allowed to be capable of injecting into the reactor coolant system (RCS) in Modes 5 and 6 is limited based on the relief capacity of the RCS. Limiting the number of pumps ensures adequate low temperature overpressure protection. However, the current TSs are not clear on the actions required for the operable pumps when surveillance testing is being performed on the emergency diesel generators or when the emergency power sources are not available.

TSs 3.1.2.3, 3.1.2.3.b, 4.1.2.3.2, and 4.1.2.3.3 are all changed to clearly differentiate between the pumps required to be capable of injecting into the RCS and those required to be made incapable of injecting into the RCS. The TS Bases remain unchanged since the request does not change the number of pumps required to be capable or the number of pumps rendered incapable of injecting into the RCS.

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously

evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

The proposed changes do not involve [a significant hazards consideration] because the changes would not:

1. Involve a significant increase in the probability or consequence of an accident previously evaluated.

The change clarifies that only the pumps required to be incapable of injecting into the RCS need to be surveilled to verify their incapacitated status. The change continues to be consistent with the current Bases of the Technical Specifications for Boration Systems, 3/4.1.2 and uses wording similar to that in the Improved Standard Technical Specifications for Combustion Engineering plants (NUREG-1432). The change continues to ensure that reactivity control and makeup capability is available during each mode of facility operation and that adequate low temperature overpressure protection is provided. The change neither increases nor decreases the number of charging and HPSI pumps required to be OPERABLE during operation of the facility and therefore, it does not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Create the possibility of a new or different kind of accident from any previously analyzed.

The change clarifies that only the pumps required to be incapable of injecting into the RCS need to be surveilled to verify their incapacitated status. The change continues to be consistent with the current Bases of the Technical Specifications for Boration Systems, 3/4.1.2. It continues to ensure that reactivity control and makeup capability is available during each mode of facility operation and that adequate low temperature overpressure protection is provided. The change neither increases nor decreases the number of charging and HPSI pumps required to be OPERABLE during operation of the facility and therefore, it does not create the possibility of a new or different kind of accident from any accident previously evaluated.

3. Involve a significant reduction in the margin of safety.

The change is consistent with the Technical Specification Bases for Boration System, 3/4.1.2. It continues to ensure that reactivity control and makeup capability is available during each mode of facility operation and that adequate low temperature overpressure protection is provided. No changes in analysis assumptions are required and therefore, there is not a reduction in the margin of safety. On the contrary, maintaining reactivity control and makeup capability during each mode of facility operation while also ensuring adequate low temperature overpressure protection will actually increase the margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action, it will publish in the Federal Register a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and should cite the publication date and page number of this Federal Register notice. Written comments may also be delivered to Room 6D22, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Copies of written comments received may be examined at the NRC Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC.

The filing of requests for hearing and petitions for leave to intervene is discussed below.

By October 21, 1996, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a

petition for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. Interested persons should consult a current copy of 10 CFR 2.714 which is available at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document rooms located at the Learning Resources Center, Three Rivers Community-Technical College, 574 New London Turnpike, Norwich, Connecticut, and the Waterford Library, ATTN: Vince Juliano, 49 Rope Ferry Road, Waterford, Connecticut. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) The nature of the petitioner's right under the Act to be made party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to 15 days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than 15 days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter. Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner shall provide a brief explanation of the

bases of the contention and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner must also provide references to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. Petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Docketing and Services Branch, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. Where petitions are filed during the last 10 days of the notice period, it is requested that the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at 1-(800) 248-5100 (in Missouri 1-(800) 342-6700). The Western Union operator should be given Datagram Identification Number N1023 and the

following message addressed to Phillip F. McKee: petitioner's name and telephone number, date petition was mailed, plant name, and publication date and page number of this Federal Register notice. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and to Ms. L. M. Cuoco, Senior Nuclear Counsel, Northeast Utilities Services Company, Post Office Box 270, Hartford, Connecticut 06141-0270, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated August 27, 1996, which is available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document rooms located at the Learning Resources Center, Three Rivers Community-Technical College, 574 New London Turnpike, Norwich, Connecticut, and the Waterford Library, ATTN: Vince Juliano, 49 Rope Ferry Road, Waterford, Connecticut.

Dated at Rockville, Maryland, this 11th day of September 1996.

For the Nuclear Regulatory Commission.
Daniel G. McDonald Jr., Sr.,

Project Manager, Northeast Utilities Project Directorate, Division of Reactor Projects— I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 96-24134 Filed 9-19-96; 8:45 am]

BILLING CODE 7590-01-P

[Docket No. 30-31085; License No. 31-28369-01; EA 96-349]

Roy Sadovsky, D.V.M., Floral Park, New York; Order Suspending License (Effective Immediately) and Demand for Information

I

Roy Sadovsky, D.V.M., (Licensee) is the holder of Byproduct Nuclear Material License No. 31-28369-01 (License) issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR Part 30. The License authorizes possession and use of licensed material (i.e., gold-198 seeds) for implantation in horses for

the treatment of leg injuries and diseases in accordance with the conditions specified therein. Condition 10 of the License requires that licensed material be used only at the Meadowlands Race Track in East Rutherford, New Jersey, or Showplace Farm and Gaitway Farm in Millstone Township, New Jersey. The License, originally issued on December 22, 1989, was amended on January 10, 1992, and expired on January 31, 1995. The Licensee filed an application for renewal on January 24, 1995.

II

On December 4 and 5, 1991, the NRC conducted an inspection at the Hyatt Hotel in New Brunswick, New Jersey, and at the Gaitway Farm in Millstone Township, New Jersey. During the inspection, the inspector determined that the Licensee had used licensed material at a location not authorized by the License. Specifically, the Licensee had used licensed material consisting of gold-198 seeds at White Birch Farm in Allentown, New Jersey, an unauthorized location.

In response to a Notice of Violation issued on January 23, 1992, the Licensee stated that he had not realized that the License did not allow work at White Birch Farm, and that "full compliance to avoid further violations will commence immediately and [my] procedures will be limited to the 3 sites allowed by [my] license." The letter was signed by Roy Sadovsky, D.V.M.

On August 26, and September 5, 1996, the NRC conducted an inspection at the Licensee's office in Elmont, New York, and at the Gaitway Farm in Millstone Township, New Jersey. During the inspection, the NRC inspector determined that the Licensee had continued to conduct licensed activities at a location not authorized by Condition 10 of the License. Specifically, the inspector determined, through review of records and interview of the Licensee, that gold-198 seeds were used at White Birch Farm in Allentown, New Jersey, a location not listed on the License, on at least five occasions in 1996, five occasions in 1995, and one occasion in 1994. These violations were apparently willful, in that, the Licensee had been put on notice in 1992 that the License limited use of licensed material to only the locations authorized on the License, and was aware that this material was being used at Allentown, New Jersey, a location not authorized on the NRC license.

Although the NRC investigation and inspection into this matter is ongoing, based on information developed to date,

it appears that the Licensee violated additional NRC requirements by: (1) failing to secure from unauthorized removal or access licensed materials (approximately 120 millicuries of gold-198 that were stored in the Licensee's unlocked, open vehicle on September 5, 1996), as required by 10 CFR 20.1801 and 20.1802; (2) transporting licensed material without complying with the applicable requirements of the U.S. Department of Transportation regulations, as required by 10 CFR 71.5, including failure to use a Type A package as required by 49 CFR 173.415, failure to apply the radioactive material yellow II label required by 49 CFR 172.403, and failure to describe the material on the shipping paper as required by 49 CFR 172.200; (3) failing, in at least one instance in March 1996, to provide individual monitoring devices to personnel who assist in the Licensee's use of licensed material and to ensure the use of those devices by such personnel, as required by Condition 15 of the License (incorporating Item 10 of the application dated March 20, 1989); and (4) conducting operations with gold-198 licensed material, so as to cause dose rates in an unrestricted area to exceed 2 millirem in any one hour, as prohibited by 10 CFR 20.1301(a)(2).

III

Based on the above, it appears that the Licensee has willfully violated NRC requirements. Moreover, these violations are of significant concern in that they have the potential to impact the public health and safety. In particular, the radiation level from the quantity of gold-198 which the Licensee typically uses is approximately 2.5 rem per hour at 10 centimeters, and, when implanted in horses, the legs of the treated horses produce radiation levels at more than 200 millirem per hour at a distance of 30 centimeters.

Given the high radiation levels emitted by this licensed material, the Licensee's storage of this licensed material in an unsecured vehicle, transport of this material without proper packaging, failure to affix proper labels which would have required a radioactive material yellow level II label, and failure to include shipping papers which accurately described the nature of this licensed material are of serious concern to the NRC. Moreover, given the high radiation levels associated with these sources, the failure to provide and to ensure the use of individual monitoring by a worker raises a question as to whether workers were exposed to radiation levels in excess of NRC requirements.

The NRC must be able to rely on the Licensee to comply with NRC requirements. It is important that licensed material be used in accordance with the applicable requirements. It appears that the Licensee has failed to comply with numerous Commission requirements and has also failed to take the necessary action to correct a violation of NRC requirements as described in a letter from the Licensee received by the NRC on February 7, 1992. While the NRC's investigation and inspection is continuing, given the safety significance of the identified violations and the apparent willful nature of one violation, the Licensee's actions raise serious doubt as to whether the Licensee is able or willing to comply with NRC requirements and whether the public health and safety will be protected.

Consequently, I lack the requisite reasonable assurance that the Licensee's current operations can be conducted under License No. 31-28369-01 in compliance with the Commission's requirements and that the health and safety of the public will be protected. Therefore, the public health, safety and interest require that License No. 31-28369-01 be suspended pending the completion of the NRC's investigation and inspection, and further order. Furthermore, pursuant to 10 CFR 2.202, I find that the significance of the violations above is such that the public health, safety, and interest require that this Order be immediately effective.

IV

Accordingly, pursuant to sections 81, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR Part 30, It is hereby ordered, effective immediately, that license no. 31-28369-01 is suspended as follows:

Pending further investigation, inspection, and Order by the NRC:

A. All NRC-licensed material in the Licensee's possession shall immediately be placed in locked storage.

B. The Licensee shall suspend all activities under the License to use, receive, or transfer licensed material. All other requirements of the License remain in effect.

C. All records related to licensed activities must be maintained in their original form and must not be removed or altered in any way.

The Regional Administrator, Region I, may, in writing, relax or rescind any of the above conditions upon demonstration by the Licensee of good cause.

V

In accordance with 10 CFR 2.202, the Licensee must, and any other person adversely affected by this Order may, submit an answer to this Order, and may request a hearing on this Order, within 20 days of the date of this Order. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be made in writing to the Director, Office of Enforcement, and include a statement of good cause for the extension. The answer may consent to this Order. Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically admit or deny each allegation or charge made in this Order and shall set forth the matters of fact and law on which the Licensee or other person adversely affected relies and the reasons why the Order should not have been issued. Any answer or request for hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, Attn: Chief, Docketing and Service Section, Washington, DC 20555. Copies also shall be sent to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, to the Assistant General Counsel for Hearings and Enforcement at the same address, to the Regional Administrator, NRC Region I, 475 Allendale Road, King of Prussia, Pennsylvania 19406-1415, and to the Licensee, if the answer or hearing request is by a person other than the Licensee. If a person other than the Licensee requests a hearing, that person shall set forth with particularity the manner in which his or her interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by the Licensee or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(i), the Licensee, or any other person adversely affected by this Order, may, in addition to demanding a hearing, at the same time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, or written approval of an

extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Part IV of this Order shall be final when the extension expires if a hearing request has not been received. An answer or a request for hearing shall not stay the immediate effectiveness of this order.

VI

In addition, pursuant to sections 161c, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's requirements in 10 CFR 2.204 and 10 CFR 30.32(b), in order for the Commission to determine whether License No. 31-28369-01 should be further modified, suspended, or revoked, or other enforcement action taken to ensure compliance with NRC regulatory requirements, the Licensee is required to submit to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, within 20 days of the date of this Order and Demand For Information, a response in writing and under oath or affirmation:

A. Explaining why the License should not be revoked, or in the alternative not renewed, in light of the NRC findings described herein;

B. Describing all locations where licensed material has been used since February 1992, and the date thereof; and

C. Providing the identity and, if known, addresses and telephone numbers of all persons who have assisted with treatments or cared for treated horses, and whether such persons wore individual personnel dosimetry:

1. If such dosimetry was used, provide the dosimetry records of those persons;

2. If no such dosimetry was used, an estimate of the radiation exposure received by each such person during each year since the License was issued.

Copies also shall be sent to the Assistant General Counsel for Hearings and Enforcement at the same address, and to the Regional Administrator, NRC Region I, 475 Allendale Road, King of Prussia, Pennsylvania 19406.

After reviewing your response, the NRC will determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

Dated at Rockville, Maryland this 13th day of September 1996.

For the Nuclear Regulatory Commission.

Hugh L. Thompson, Jr.,

Deputy Executive Director for Nuclear Materials Safety, Safeguards, and Operations Support.

[FR Doc. 96-24135 Filed 9-19-96; 8:45 am]

BILLING CODE 7590-01-P

[Docket Nos. 50-272 and 50-311]

Public Service Electric and Gas Company; PECO Energy Company; Delmarva Power and Light Company; Atlantic City Electric Company; Salem Nuclear Generating Station, Units 1 and 2; Environmental Assessment and Finding of No Significant Impact

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an exemption from the requirement of 10 CFR 55.31(a)(5) to Public Service Electric and Gas Company, et al. (PSE&G, the licensee), for operation of the Salem Nuclear Generating Station, Units 1 and 2, located in Salem County, New Jersey.

Environmental Assessment

Identification of the Proposed Action

The proposed action would grant an exemption from the requirement of 10 CFR 55.31(a)(5) which requires each licensed operator applicant to perform at least five significant control manipulations which affect reactivity or power level on the facility for which the license is sought.

The licensee has requested the NRC accept the performance of the required control manipulations by each licensed operator applicant on its certified, plant-referenced simulator.

The proposed action is in accordance with the licensee's application for an exemption dated May 10, 1996, as supplemented by letters dated June 20, 1996, and July 9, 1996.

The Need for the Proposed Action

The proposed action would allow issuance of six senior operator licenses to the applicants with previous licensed senior operator experience prior to their performance of the required control manipulations. Performance of the control manipulations on the Salem facility has not been possible since both Units 1 and 2 have been shutdown for approximately one year for extensive upgrades of both equipment and personnel. In lieu of performing the control manipulations on its facility, the licensee requests acceptance of satisfactory performance of simulated control manipulations on its certified, plant-referenced simulator since all six of the applicants have significant and

extensive commercial nuclear power plant experience. The licensee further committed to the performance of the required control manipulations by each of the six applicants on the Salem Nuclear Generating Station, Unit 2, prior to or at the time the unit achieves 100 percent power following the current plant outage. The requested relief would constitute a one-time exemption from the requirements of 10 CFR 55.31(a)(5).

In support of its request for exemption, the licensee stated that the six senior operator applicants have significant commercial nuclear power plant experience—from 5 to 22 years—and have received additional training on the Salem certified, plant-referenced simulator, including the performance of simulated control manipulations beyond the number required by 10 CFR 55.31(a)(5). The licensee stated that the six senior operator applicants conducted control manipulations at other pressurized water reactors. These six applicants have also performed licensed senior operator duties within approximately the last 2 years. Finally, the licensee asserts that the six applicants have the specific leadership characteristics, determined through a rigorous screening and interview process, considered vital for reliable shift performance. The licensee further stated that failure to grant the exemption would not serve an underlying purpose of the rule in that the safety of nuclear power plant operations would not be improved.

The licensee concludes that the proposed alternate qualifications and training will suffice due to the previously demonstrated capabilities of the senior operator applicants, and it is in the public interest to grant the exemption since inclusion of these individuals on the operations staff will facilitate an increased level of safety as part of the Salem Restart Action Plan.

Environmental Impacts of the Proposed Action

The Commission has completed its evaluation of the proposed action and concludes that the underlying purpose of 10 CFR 55.31(a)(5), to ensure that applicants for operator and senior operator licenses have some minimum level of actual on-the-job training and experience manipulating the controls in the power plant control room prior to license issuance will be met for the six senior operator license applicants by the additional plant-specific simulator training. The six previously licensed applicants possess recent significant licensed operating experience at other pressurized water reactors and have successfully conducted actual control

manipulations. They have demonstrated that they possess the required levels of practical skills and abilities needed to safely operate the plant. Based on their considerable licensed operating experience and the additional training provided on the certified, plant-referenced simulator, the lack of manipulations at the actual controls of the Salem facility is not considered significant. Furthermore, the six applicants will complete the manipulations prior to or at the time that Unit 2 achieves 100% power following the current outage. Therefore, the NRC staff has concluded that the licensee's proposed use of simulated control manipulations for these six senior operator applicants, combined with their prior experience, meets the intent of the requirement to have actual experience manipulating the controls in the power plant control room prior to licensing. Meeting the requirement for the completion of the control manipulations on the actual plant for these six senior operator applicants would significantly delay issuance of senior operator licenses for these operators, with a resultant adverse effect on the facility licensee's operating crew experience level without a net benefit to safety, and would otherwise have a detrimental effect on the public interest. This one-time exemption will allow additional experienced licensed senior operator support during the upcoming Salem Unit 2 restart, which will provide a safety enhancement during plant startup operations and testing.

The proposed action will not increase the probability or consequences of accidents, no changes are being made in the types of any effluents that may be released offsite, and there is no significant increase in the allowable individual or cumulative occupational radiation exposure. Accordingly, the Commission concludes that there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential non-radiological impacts, the proposed action involves features located entirely within the restricted area as defined in 10 CFR Part 20. It does not affect nonradiological plant effluents and has no other environmental impact. Accordingly, the Commission concludes that there are no significant nonradiological environmental impacts associated with the proposed action.

Alternatives to the Proposed Action

Since the Commission has concluded there is no measurable environmental impact associated with the proposed action, any alternatives with equal or

greater environmental impact need not be evaluated. As an alternative to the proposed action, the staff considered denial of the proposed action. Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources

This action does not involve the use of any resources not previously considered in the Final Environmental Statement for the Salem Nuclear Generating Station, Units 1 and 2, dated April 1973.

Agencies and Persons Consulted

In accordance with its stated policy, on July 8, 1996, the staff consulted with the New Jersey State official, Dennis Zannoni of the Department of Environmental Protection regarding the environmental impact of the proposed action. The State official had no comments.

Finding of No Significant Impact

Based upon the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's application for an exemption dated May 10, 1996, as supplemented by letters dated June 20, 1996, and July 9, 1996, which are available for public inspection at the Commission's Public Document Room, The Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Salem Free Public Library, 112 West Broadway, Salem, NJ 08079.

Dated at Rockville, Maryland, this 26th day of July 1996.

For the Nuclear Regulatory Commission.
John F. Stolz,

Director, Project Directorate I-2 Division of Reactor Projects—I/II Office of Nuclear Reactor Regulation.

[FR Doc. 96-24137 Filed 9-19-96; 8:45 am]

BILLING CODE 7590-01-P

SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From:
Securities and Exchange Commission,

Office of Filings and Information
Services, Washington DC 20549

Proposed Amendments

Form BDW, SEC File No. 270-17, OMB
Control No. 3235-0018

Rule 11Ac1-1, SEC File No. 270-404,
OMB Control No. 3235-0461

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission ("Commission") has submitted to the Office of Management and Budget requests for approval of proposed amendments on previously approved collections of information:

Form BDW is used by broker-dealers to withdraw from registration with the Commission, the self-regulatory organizations, and the states. It is estimated that approximately 900 broker-dealers annually will incur an average burden of 15 minutes, or 0.25 hours to file for withdrawal on Form BDW electronically with the redesignated Central Registration Depository system, a computer system operated by the National Association of Securities Dealer's Inc. that maintains information regarding broker-dealers and their registered personnel.

Rule 11Ac1-1 contains two related collections of information necessary to disseminate to the public market makers' published quotations to buy and sell securities. The first collection of information is found in 17 CFR 11Ac1-1(c). This reporting requirement obligates each "responsible broker or dealer," as defined under the rule, to communicate to its exchange or association its best bids, best offers, and quotation sizes for any subject security, as defined under the rule. The second collection of information is found in 17 CFR 11Ac1-1(b). This reporting requirement obligates each exchange and association to make available to quotation vendors for dissemination to the public the best bid, best offer, and aggregate quotation size for each subject security.¹ Brokers, dealers, other market participants, and members of the public rely on published quotation information

to determine the best price and market for execution of customer orders.

It is anticipated that 758 respondents, consisting of 8 national securities exchanges or registered national securities associations, 180 exchange specialists and 570 OTC market makers, will make 409,568,000 total annual responses pursuant to Rule 11Ac1-1. The total annual burden is estimated to be approximately 179,670 total annual hours.

General comments regarding the estimated burden hours should be directed to the Desk Officer for the Securities and Exchange Commission at the address below. Any comments concerning the accuracy of the estimated average burden hours for compliance with Commission rules and forms should be directed to Michael E. Bartell, Associate Executive Director, Office of Information Technology, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549 and Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3208, New Executive Office Building, Washington, D.C. 20503.

Dated: September 9, 1996.

Jonathan G. Katz,

Secretary.

[FR Doc. 96-24169 Filed 9-19-96; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-22223; 812-9930]

The Gabelli Equity Trust Inc.; Notice of Application

September 16, 1996.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of application for exemption under the Investment Company Act of 1940 (the "Act").

APPLICANT: Gabelli Equity Trust Inc.

RELEVANT ACT SECTIONS: Exemption requested under section 6(c) of the Act that would grant an exemption from section 19(b) of the Act and rule 19b-1 thereunder.

SUMMARY OF APPLICATION: Applicant requests an order to make up to four distributions of long-term capital gains in any one taxable year, so long as it maintains in effect a distribution policy calling for quarterly distributions of a fixed percentage or fixed amount of its net asset value.

FILING DATE: The application was filed on December 29, 1995, and amended on June 4, 1996, and August 23, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on October 11, 1996, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 5th Street N.W., Washington, D.C. 20549. Applicant, One Corporate Center, Rye, New York 10580.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boggs, Staff Attorney, at (202) 942-0572, or Alison E. Baur, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch.

Applicant's Representations

1. Applicant is a closed-end management investment company organized as a Maryland corporation. Applicant's investment objective is to seek long-term growth of capital by investing in a portfolio of equity securities.

2. Applicant currently has a "10% Distribution Policy" in which it makes quarterly distributions of \$0.25 per share for each of the first three calendar quarters of each year. Applicant's distribution in December for each calendar year is an adjusting distribution (equal to the sum of 2.5% of the net asset value of applicant as of the last day of the four preceding calendar quarters less aggregate distributions of \$0.75 per share made for the most recent three calendar quarters) in order to meet applicant's 10% pay-out goal. If, for any calendar year, the total distributions required by its 10% Distribution Policy exceed applicant's net investment income and net realized capital gains, the excess will generally be treated as a return of capital. If applicant's net investment income, net short-term realized gains, net long-term realized gains, and returns of capital for any year exceed the amount required to be distributed under its 10%

¹ A third reporting requirement under the Quote Rule, as amended at 17 CFR 11Ac1-1(c)(5), will give electronic communications networks ("ECNs") the option of reporting to an exchange or association for public dissemination, on behalf of their over-the-counter ("OTC") market maker or exchange specialist customers, the best priced orders and a cumulative size for such orders entered by market makers, to satisfy such market makers' reporting obligation under Rule 11Ac1-1(c). Because this reporting requirement is an alternative method of meeting the market makers' reporting obligation, and because it is directed to nine or fewer persons (BCNs), this collection of information is not subject to OMB review under the PRA.

Distribution Policy, applicant may retain and not distribute net long-term capital gains to the extent of such excess.

3. Applicant requests relief to permit it to modify the 10% Distribution Policy to make up to four distributions of net long-term capital gains in any one taxable year, so long as it maintains in effect a distribution policy calling for quarterly distributions of a fixed percentage or fixed amount (with a fourth quarter adjusting distribution) of its net asset value.

Applicant's Legal Analysis

1. Section 19(b) provides that registered investment companies may not, in contravention of such rules, regulations, or orders as the SEC may prescribe, distribute long-term capital gains more often than once every twelve months. Rule 19b-1 limits the number of capital gains distributions, as defined in section 852(b)(3)(C) of the Internal Revenue Code of 1986, as amended, (the "Code"), that applicant may make with respect to any one taxable year to one, plus a supplemental distribution made pursuant to section 855 of the Code not exceeding 10% of the total amount distributed for the year, plus one additional long-term capital gains distribution made to avoid the excise tax under section 4982 of the Code.

2. Rule 19b-1, by limiting the number of net long-term capital gain distributions that applicant may make with respect to any one year, prevents the operation of the 10% Distribution Policy whenever applicant's realized net long-term capital gains in any year exceed the total of the fixed quarterly distributions that under rule 19b-1 may include such capital gains. In that situation, the rule effectively forces the fixed quarterly distributions, that under the rule may not include such capital gains, to be funded with returns of capital (to the extent net investment income and realized short-term capital gains are insufficient), even though net realized long-term capital gains would otherwise be available therefor. The long-term capital gains in excess of the fixed quarterly distributions permitted by the rule then must either be added as an "extra" on one of the permitted capital gains distributions, thus exceeding the total annual amount called for by the 10% Distribution Policy, be made as an adjusting distribution in the fourth quarter that in effect combines the third and fourth quarter distributions (the method applicant used in 1995), or be retained by applicant (with applicant paying taxes thereon).

3. Applicant believes that granting the requested relief would limit applicant's return of capital distributions to that amount necessary to make up any shortfall between applicant's guaranteed distribution and the total of its investment income and capital gains. The likelihood that applicant's shareholders would be subject to additional tax return complexities involved when applicant retains and pays taxes on long-term capital gains would also be avoided.

4. One of the concerns leading to the adoption of section 19(b) and rule 19b-1 was that shareholders might be unable to distinguish between frequent distributions of capital gain and dividends from investment income. In accordance with rule 19a-1 under the Act, a separate statement showing the source of the distribution (net investment income, net realized capital gains, or returns of capital) will accompany each distribution (or the confirmation of the reinvestment thereof under applicant's dividend reinvestment plan). In addition, a statement showing the amount and source of distributions received during the year will be included with applicant's IRS Form 1099-DIV reports sent to each shareholder who received distributions during the year (including shareholders who sold shares during the year). This information will also be included in applicant's annual report to shareholders. Through these disclosures and other communications with shareholders, applicant states that its shareholders will understand that applicant's fixed distributions are not tied to its investment income and realized capital gains and will not represent yield or investment return.

5. Another concern that led to the adoption of section 19(b) and rule 19b-1 was that frequent capital gain distributions could facilitate improper fund distribution practices, including in particular the practice of urging an investor to purchase fund shares on the basis of an upcoming dividend ("selling the dividend"), where the dividend results in an immediate corresponding reduction in net asset value and is in effect a return of the investor's capital. Applicant believes that this concern does not apply to closed-end investment companies, such as applicant, which do not continuously distribute shares.

6. Although, to date, applicant has completed four rights offerings of additional shares to shareholders, each of the offerings were short in duration and involved a relatively small number of new shares. The rights were offered without payment of solicitation fees to brokers and without payment of any

other commission or underwriting fees. Holders of rights in the 1995 offering who did not wish to exercise their rights were able to instruct applicant's subscription agent to sell any unexercised rights and paid a brokerage commission rate of \$.01 per right. Most rights were sold by the subscription agent on the New York Stock Exchange. Applicant states that extensive disclosure regarding the terms and conditions of each rights offering and the 10% Distribution Policy is included in a statutory prospectus available upon the commencement of that offering. Further, applicant states that shares in its rights offerings are generally offered during a one-month interval prior to the declaration of a quarterly dividend and, therefore, the specific abuse of "selling the dividend" cannot occur as a matter of timing.

7. Applicant states that another concern leading to the adoption of section 19(b) and rule 19b-1, increase in administrative costs, is not present because applicant will continue to make quarterly distributions regardless of what portion thereof is composed of capital gains.

8. Section 6(c) of the Act provides that the SEC may exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provisions of the Act, if and to the extent such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. For the reasons stated above, applicant believes that the requested exemption meets the standards set forth in section 6(c).

Applicant's Condition

Applicant agrees that the order granting the requested relief shall terminate upon the effective date of a registration statement under the Securities Act of 1933 for any future public offering by applicant of shares of applicant other than: (i) A such offering does not include the payment of solicitation fees to brokers or the payment of any other commissions¹ or underwriting fees in connection with the offering or exercise of the rights, (b) the rights will not be exercisable

¹ Holders of rights who do not wish to exercise any or all of their rights may instruct applicant's subscription agent to sell their unexercised rights. These shareholders are responsible for paying all brokerage commissions incurred by the subscription agent in selling the unexercised rights. Such sales may be effected by the subscription agent through Gabelli & Company, Inc., a registered broker-dealer, for up to \$.03 per right, if the subscription agent is unable to negotiate a lower brokerage commission with an independent broker.

between the date a dividend to applicant's shareholders is declared and the record date of such dividend, and (c) applicant has not engaged in more than one rights offering during any given calendar year; or (ii) an offering in connection with a merger, consolidation, acquisition, spin-off, or reorganization; unless applicant has received from the staff of the Commission written assurance that the order will remain in effect.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,
Secretary.

[FR Doc. 96-24171 Filed 9-19-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 22221; 811-4035]

Merrill Lynch Balanced Fund for Investment and Retirement, Inc.; Notice of Application

September 13, 1996.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Deregistration under the Investment Company Act of 1940 (the "Act").

APPLICANT: Merrill Lynch Balanced Fund for Investment and Retirement, Inc.

RELEVANT ACT SECTION: Section 8(f).

SUMMARY OF APPLICATION: Applicant requests an order declaring that it has ceased to be an investment company.

FILING DATE: The application was filed on July 5, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on October 8, 1996, and should be accompanied by proof of service on the applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicant, 800 Scudders Mill Road, Plainsboro, New Jersey 08536-9011.

FOR FURTHER INFORMATION CONTACT:

Mary Kay Frech, Senior Attorney, at (202) 942-0579, or Alison E. Baur,

Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicant's Representations

1. Applicant is an open-end, diversified management investment company organized as a corporation under the laws of Maryland. On May 24, 1984, applicant registered under the Act under the name Merrill Lynch Retirement Benefit Fund, Inc., and filed a registration statement to register its shares under the Securities Act of 1933. The name of applicant was changed to Merrill Lynch Retirement Benefit Investment Program, Inc. on July 22, 1985. On October 18, 1985, applicant's registration statement became effective. Applicant officially changed its name to Merrill Lynch Balanced Fund for Investment and Retirement, Inc. on December 21, 1994.

2. On October 13, 1995, applicant's board of directors approved an Agreement and Plan of Reorganization (the "Reorganization") between applicant and Merrill Lynch Global Allocation fund, Inc. ("Global Allocation"), pursuant to which applicant would transfer substantially all of its assets and liabilities to Global Allocation in exchange for newly issued Class A, Class B, Class C, and Class D shares of Global Allocation and the assumption by Global Allocation of substantially all of applicant's liabilities. In accordance with rule 17a-8 of the Act, applicant's directors determined that the Reorganization was in the best interests of applicant and that the interests of applicant's existing shareholders would not be diluted as a result.¹

3. In approving the Reorganization, the directors identified certain potential benefits likely to result from the Reorganization, including, (a) that shareholders would remain invested in an open-end fund that had an investment objective similar to that of applicant, (b) that the total operating expenses of Global Allocation after the

¹ Applicant and Global Allocation may be deemed to be affiliated persons of each other by reason of having a common investment adviser, common directors, and/or common officers. Although purchases and sales between affiliated persons generally are prohibited by section 17(a) of the Act, rule 17a-8 provides an exemption for certain purchases and sales among investment companies that are affiliated persons of each other solely by reason of having a common investment adviser, common directors, and/or common officers.

Reorganization, as a percentage of net assets, would be less than the current operating expenses for applicant, (c) that Global Allocation could experience increasing economies of scale resulting from a larger asset base, and (d) that Global Allocation might experience greater flexibility in portfolio management because it is organized as a non-diversified fund.

4. On or about November 29, 1995, proxy materials soliciting shareholder approval of the Reorganization were mailed to all shareholders of record as of October 31, 1995. The Reorganization was approved, in accordance with Maryland law, by applicant's shareholders at a special meeting held on January 25, 1996.

5. As of 4:15 p.m. on March 1, 1996 (the "Valuation Time"), applicant had 912,616 Class A shares, 10,877,028 Class B shares, 110,774 Class C shares, and 41,129,078 Class D shares of common stock outstanding, \$.01 par value. The net asset value per Class A share was \$11.45, aggregating \$10,445,504; the net asset value per Class B share was \$11.69, aggregating \$127,150,468; the net asset value per Class C share was \$11.51, aggregating \$1,274,899; and the net asset value per Class D share was \$11.43, aggregating \$470,266,584.

6. On March 4, 1996, applicant transferred assets valued at \$609,137,455 and received in exchange 42,850,506.360 newly issued shares of common stock of Global Allocation. Such shares were then distributed to applicant's shareholders on that date in exchange for such shareholder's proportional interest in applicant. Specifically, applicant's shareholders received shares of that class of shares of Global Allocation having the same letter designation (i.e., Class A, Class B, Class C, or Class D) and the same distribution fees, account maintenance fees, and sales charges (including contingent deferred sales charges), if any, as applicant's shares held by them immediately prior to the Reorganization. The aggregate net asset value of the corresponding shares of Global Allocation issued to applicant's shareholders equaled the aggregate net asset value of the outstanding shares of applicant.

7. The expenses of the Reorganization directly attributable to each of applicant and Global Allocation were deducted from applicant's and Global Allocation's assets, respectively, prior to the Valuation Time. These expenses included the expenses incurred in

preparing materials for each fund's board of directors, legal fees incurred in that preparation, and accounting fees associated with each fund's financial statements. The expenses of the Reorganization attributable to the Reorganization transaction itself were borne *pro rata* by applicant and Global Allocation according to each fund's net assets as of the Valuation Time and aggregated \$375,000, of which \$22,000 was paid by applicant and \$353,000 was paid by Global Allocation. These expenses included preparation of the registration statement for filing with the SEC, filing fees, and legal and audit fees. Expenses incurred in connection with the deregistration and dissolution of applicant will be borne by Merrill Lynch Asset Management, L.P., and are expected to total approximately \$450.

8. Applicant has no securityholders and no securities outstanding. Applicant has no debts or other liabilities outstanding as of the date of the application other than expenses incurred in connection with its deregistration and dissolution.

9. Applicant is not a party to any litigation or administrative proceedings. Applicant is not now engaged and does not propose to engage in any business activities other than those necessary for the winding up of its affairs.

10. Applicant intends to file Articles of Dissolution with the State of Maryland.

For the SEC, by the Division of Investment Management, under delegated authority.

Jonathan G. Katz,
Secretary.

[FR Doc. 96-24080 Filed 9-19-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 35-26574]

Filings Under the Public Utility Holding Company Act of 1935, As Amended ("Act")

September 13, 1996.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s)

should submit their views in writing by October 7, 1996, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

The Columbia Gas System, Inc. (70-8905)

The Columbia Gas System, Inc. ("Columbia"), 12355 Sunrise Valley Drive, Suite 300, Reston, Virginia 20191-3420, a registered holding company, has filed an application-declaration under sections 9(a), 10, and 12(b) of the Act and rule 45 thereunder.

Columbia proposes to form a wholly owned direct subsidiary company ("Captive") to engage in the business of reinsuring certain commercial insurance bought by Columbia, its subsidiaries and affiliates, from certain commercial insurance companies, such as Travelers Insurance Companies.¹ Columbia seeks authorization to fund the Captive up to an aggregate principal amount of \$3 million by providing up to: (1) \$1 million in capital contributions and/or cash in exchange for Captive common stock, \$25 par value; and (2) \$2 million in letters of credit under Columbia's credit facility ("Letters of Credit") previously authorized by the Commission. If payment is required under any Letter of Credit, Columbia would reimburse the issuing bank, and the amount paid would be treated as a capital contribution to Captive.

Currently, the risk management department of Columbia purchases a broad array of insurance coverages for automobile, general liability and "all risk" property losses. Columbia maintains an underlying deductible of \$200,000 per event for automobile and general liability coverage, and \$50,000 per event for "all-risk" property coverage. In excess of these deductibles, Columbia purchases commercial insurance. Subsidiaries of Columbia, regardless of size and business needs, have no choice as to deductibles.

¹ Affiliates would include project companies in which subsidiaries of Columbia have an equity interest.

Commercial premiums are then allocated to subsidiaries based on such factors as number of automobiles, total property values, revenues and product throughput. A subsidiary's individual loss experience is not considered for purposes of allocating premium expenses.

Under the new program, the Captive would assume the risk of the more "predictable" loss layer from the commercial insurers, for losses between up to \$2 million for automobile and general liability losses per event and up to \$750,000 for "all-risk" property losses per event.² Each subsidiary would be given a choice of deductible, and premiums would be based on that choice and on the subsidiary's prior loss experience. With this exception, premium allocations would continue to be made on the basis of the factors described above. Commercial insurance would continue to be purchased for "unpredictable" losses above \$2 million and \$750,000, respectively, just as is done under the current program. Premiums for the first year which were actuarially determined to equal the aggregate predictable loss plus administrative expenses are estimated at \$4.2 million, which, when aggregated with \$3 million of funding, give the Captive a total of \$7.2 million plus interest to respond to claims during the first year. In the event of losses exceeding this amount, commercial insurance will respond to any claims in excess of the aggregate and retention.

Captive would not be an admitted commercial insurer in the United States, but instead would operate as an insurance company in Bermuda and work through admitted commercial insurers.³ A Bermuda management company will be retained to provide administrative services. Columbia employees will be directors of the Captive, and employees of Columbia's service corporation will be principal officers. Time and expenses will be billed to the Captive and recovered in premiums.

To assure the financial strength and integrity of the Captive, which must comply with strict Bermuda capital to

² Columbia will use its own ten-year loss experience to identify actuarially its "predictable" losses for automobile, general liability and "all-risk" property losses and underwriting such losses through the Captive. Captive may, in the future, expand its coverage into such areas as workers' compensation, director and officer liability, legal malpractice, performance bonds and warranty programs offered to consumers.

³ Although the Columbia system public-utility companies would not deal with an associate company directly, Columbia intends to review the proposed arrangements concerning the Captive with the interested state commissions.

premium requirements of \$1 of capital for every \$5 of net premium, aggregate "stop loss" protection will be arranged from a commercial insurer.

To the extent that premiums and interest earned exceed current claims and expenses, an appropriate reserve would be accumulated to respond in years when claims and expenses exceed premiums. To the extent that losses over the long term are lower than projected, premiums would be appropriately reduced. Excess cash would be invested in accordance with Columbia's investment guidelines.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 96-24081 Filed 9-19-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 22222; 812-10112]

Reich & Tang Distributors L.P., et al.; Notice of Application

September 13, 1996.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of application for an order under the Investment Company Act of 1940 (the "Act").

APPLICANTS: Reich & Tan Distributors L.P. ("Reich & Tang"); Equity Securities Trust (Series 1, Signature Series, and subsequent series); Mortgage Securities Trust (CMO Series 1 and subsequent series); Municipal Securities Trust (Series 1 and subsequent series) (including Insured Municipal Securities Trust, Series 1 (and subsequent series) and 5th Discount Series (and subsequent series)); New York Municipal Trust (Series 1 and subsequent series); and A Corporate Trust (Series 1 and subsequent series) (collectively, the foregoing trusts are the "Trusts").

RELEVANT ACT ACTIONS: Order of exemption requested pursuant to sections 11(a) and (c).

SUMMARY OF APPLICATION: Applicants request an order to permit certain offers of exchange between the Trusts at a reduced sales charge. The requested order would supersede three prior orders.

FILING DATES: The application was filed on April 29, 1996, and amended on July 19, 1996, and September 6, 1996. Applicants have agreed to file an amendment, the substance of which is incorporated herein, during the notice period.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on October 8, 1996, and should be accompanied by proof of service on applicants, in the form of an affidavit, or, for lawyers, a certificate of service. Hearing requests should state the nature of the writers interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, 600 Fifth Avenue, New York, NY 10022.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boggs, Staff Attorney, at (202) 942-0572, or Alison E. Baur, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Information).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicants' Representations

1. Reich & Tang, the successor sponsor to the unit investment trust division of Bear Stearns & Co. Inc., is a sponsor or co-sponsor with Gruntal & Co. Incorporated ("Gruntal") of various unit investment trusts (collectively, Reich & Tang and Gruntal are the "Sponsors"). Each Trust is organized under a trust indenture and agreement between the Trust, the Sponsors, and the Chase Manhattan Bank or Bank of New York, as trustee, and is registered under the Act.

2. On September 29, 1995, Bear, Stearns & Co. Inc. ("Bear Stearns") transferred its unit investment trust business to Reich & Tang and immediately thereafter Reich & Tang commenced serving as sponsor for the Trusts. Prior to the transfer, Bear Stearns and the Trusts had received SEC orders permitting certain offers of exchange.¹ At the request of Bear Stearns and Reich & Tang, the SEC's Division of Investment Management informed Bear

Stearns and Reich & Tang that the Division would not recommend that the SEC take any enforcement action against them if the Trusts operate under the terms of the prior orders until the earlier of (a) the date the requested order is granted or (b) March 13, 1997.² The requested order will supersede the prior orders.

3. The sales charge for initial investment in the Trusts currently ranges between 3.5% to 5.5% of the public offering price, subject to discounts for certain volume transactions. The Sponsors maintain a secondary market for the Trusts and intend to continue to maintain a secondary market for any new Trusts, although they are not obligated to do so. Units sold in the secondary market are subject to a sales charge of up to 5.5% plus net accrued interest.

4. Applicants propose to offer an exchange privilege to unitholders of the Trusts at a reduced sales charge (the "Exchange Privilege"). Unitholders would be able to exchange any of their units for units in one or more available series of the Trusts (the "Exchange Trust"). Applicants also propose to offer a rollover privilege to unitholders of the Trusts at a reduced sales charge (the "Rollover Privilege"). Unitholders would be able to "roll over" their units in a series which is terminating for units of one or more new series of the Trusts (the "Rollover Trust"). In addition, applicants propose a conversion offer ("Conversion Offer") pursuant to which unitholders may redeem units of any Trust in which there is no active secondary market ("Redemption Trust") and apply the proceeds to the purchase of available units of one or more series of the Trusts (the "Conversion Trusts").

5. To exercise the Exchange or Rollover Privilege, a unitholder must notify the Sponsor. In order to exercise the Conversion Offer, a unitholder must notify his or her retail broker. The Conversion Offer will be handled entirely through the unitholder's retail broker and the retail broker must tender the units to the trustee of the Redemption Trust for redemption and then apply the proceeds toward the purchase of units of a Conversion Trust. Exercise of the Exchange or Rollover Privilege is subject to the following conditions: (a) The Sponsors must be maintaining a secondary market in units of the available Exchange or Rollover Trust, (b) at the time of the unitholder's election to participate, there must be units of the Exchange or Rollover to be acquired available for sale, either under

¹ Mortgage Securities Trust, Investment Company Act Release Nos. 18254 (Aug. 1, 1991) (notice) and 18290 (Aug. 28, 1991) (order); New York Municipal Trust, Investment Company Act Release Nos. 11715 (Apr. 1, 1981) (notice) and 11754 (Apr. 29, 1981) (order); and Bear Stearns & Co., Investment Company Act Release Nos. 11143 (Apr. 29, 1980) (notice) and 11184 (May 23, 1980) (order).

² Reich & Tang Distributors L.P. (pub. avail. March 13, 1996).

the initial primary distribution or in the Sponsors' secondary market, (c) exchanges will be in whole units only, and (d) for certain Trusts, units may be obtained in blocks of certain sizes only. Exercise of the Conversion Offer is subject to the following conditions: (a) The Conversion Offer is open only to unitholders of a Redemption Trust, (b) at the time of the unitholder's election to participate, there must be available units of a Conversion Trust, either under a primary distribution or in the Sponsors' secondary market, (c) exchanges will be in whole units only, and (d) for certain Trusts, units may be obtained in blocks of certain sizes only.

6. Unitholders who wish to exchange units under the Exchange or Rollover Privileges or Conversion Offer within the first five months of purchase will not be eligible for the reduced sales charge. Such unitholders will be charged a sales load equal to the greater of (a) the reduced sales load or (b) an amount which, when added to the sales charge paid by the unitholder upon his or her original purchase of units of the applicable Trust, would equal the sales charge applicable to the direct purchase of the newly acquired units, determined as of the date of purchase.

7. Applicants request that the relief be extended to all subsequently issued series of unit investment trusts sponsored by Reich & Tang or a sponsor controlled by or under common control with Reich & Tang and each unit investment trust registered under the Securities Act of 1933 and the Act (each is also a "Trust").

Applicants' Legal Analysis

1. Section 11(a) requires SEC approval of an offer to exchange securities between open-end investment companies if the exchange occurs on any basis other than the relative net asset values of the securities to be exchanged. Section 11(c) makes section 11(a) applicable to any type of exchange offer of securities of registered unit investment trust for the securities of any other investment company, irrespective of the basis of exchange.

2. Applicants state that the Exchange and Rollover Privileges provide investors with a convenient means of transferring their interests at a reduced sales charge into series of the Exchange and Rollover Trusts which suit their current investment objectives. Further, applicants state that the Conversion Offer provides unitholders of a Trust in which there is no active secondary market a means to redeem those units and invest the proceeds at a reduced sales charge into units of the Conversion Trusts which maintain an active

secondary market. Applicants state that absent the Exchange and Rollover privilege and the Conversion Offer, unitholders would be required to dispose of their units, either in the secondary market (in the case of the Exchange and Rollover Privileges) or through redemption, and to reinvest, at the then fully applicable sales charge, into the chosen Trusts.

3. Applicants represent that unitholders will not be induced or encouraged to participate in the Exchange or Rollover Privileges or Conversion Offer through an active advertising or sales campaign. The Sponsor recognizes its responsibility to its customers against generating excessive commissions through churning and asserts that the sales charge collected will not be a significant economic incentive to salesmen to promote inappropriately the Exchange or Rollover Privilege or the Conversion Offer. Applicants state that the reduced sales charge will fairly and adequately compensate the Sponsor and the participating underwriters and brokers for their services and expenses in connection with the administration of the programs. Applicants further believe that the Exchange and Rollover Privileges and the Conversion Offer are appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Applicants' Conditions

Applicants agree, as a condition to the grant of the requested order, to the following conditions:

1. The prospectus for each Trust and any sales literature or advertisement that mentions the existence of the Exchange Privilege, Conversion Offer, or Rollover Privilege will disclose that they are subject to termination and that their terms are subject to change and that such changes or termination may be made in the circumstances specified in condition 2.

2. Whenever the Exchange Privilege, Conversion Offer, or Rollover Privilege are to be terminated or their terms are to be amended materially, any holder of a security subject to the privilege will be given prominent notice of the impending termination or amendment at least 60 days prior to the date of termination or the effective date of the amendment, *provided that*:

(a) No such notice need be given if the only material effect of an amendment is to reduce or eliminate the sales charge payable at the time of an exchange, to add one or more new series or a new Trust, eligible for the Exchange

Privilege, Conversion Offer, or Rollover Privilege, or to delete a series or Trust which has terminated, and

(b) No notice need be given if, under extraordinary circumstances, either (i) there is a suspension of the redemption of units of an Exchange Trust, Conversion Trust, or Rollover Trust under section 22(e) of the Act and the rules and regulations thereunder, or (ii) an Exchange Trust, Conversion Trust, or Rollover Trust temporarily delays or ceases the sale of its units because it is unable to invest amounts effectively in accordance with applicable investment objectives, policies, and restrictions.

3. An investor who purchases units under the Exchange Privilege, Conversion Offer, or Rollover Privilege will pay a lower sales charge than that which would be paid for the units by a new investor.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,
Secretary.

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[Release No. 34-37676; File No. SR-CBOE-96-01]

Self-Regulatory Organizations; Order Granting Approval to Proposed Rule Change and Amendment No. 2 Thereto and Notice of Filing and Order Granting Accelerated Approval to Amendment No. 1 to Proposed Rule Change by the Chicago Board Options Exchange, Inc., to, Among Other Things, Increase SPX Position and Exercise Limits, Increase SPX Firm Facilitation, Index Hedge, and Money Manager Exemptions, and Extend Broad-Based Index Hedge Exemption to Broker-Dealers

September 13, 1996.

I. Introduction

On January 8, 1996, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") submitted to the Securities and Exchange Commission ("Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to, among other things, increase the Standard & Poor's 500 index ("SPX") option position and exercise limits, increase the SPX firm facilitation, index hedge, and money manager exemptions, extend the broad-based index hedge exemption to broker-dealers, and

¹ 15 U.S.C. 78s(b)(1) (1988).

² 17 CFR 240.19b-4.

expand the types of qualified portfolios for the broad-based index hedge exemption.

Notice of the proposed rule change appeared in the Federal Register on January 25, 1996.³ One comment letter, representing the views of ten broker-dealers, was received in response to the proposed rule change.⁴ The Exchange subsequently filed Amendment No. 1 to the proposed rule change on May 9, 1996,⁵ and Amendment No. 2 to the proposed rule change on July 25, 1996.⁶ This order approves the CBOE's proposal, as amended.

II. Background

A. Increase SPX Position and Exercise Limits

The CBOE is proposing to increase the basic SPX position and exercise limits from 45,000 contracts to 100,000 contracts on the same-side of the market.⁷ According to the CBOE, member firms have expressed their need for relief from the current SPX position and exercise limits,⁸ which have not been increased since 1992.⁹ Since 1992,

however, volume in the SPX index option class has more than doubled, and open interest has remained consistently high.¹⁰ The CBOE believes that by increasing the existing SPX position and exercise limits of 45,000 contracts to 100,000 contracts the investing public as well as CBOE members and member firms will be afforded greater opportunity and flexibility to use SPX options for their hedging needs. The CBOE does not believe that the higher limits will increase the potential for market disruption.

To enhance its ability to monitor unhedged positions as well as to create a database of non-standard hedge practices, the CBOE will add a reporting requirement (new Interpretation .03 to Exchange Rule 24.4) for accounts having a position in excess of 45,000 a.m.-settled, European-style S&P 500 option contracts on the same-side of the market. According to the CBOE, this reporting requirement will allow the Exchange to gather data on hedging practices that do not fit into the CBOE's definition of a qualified portfolio.¹¹ Specifically, new Interpretation .03 to Exchange Rule 24.4 states that if a member or member organization, other than an Exchange market-maker,¹² maintains a position in excess of 45,000 a.m.-settled, European-style S&P 500 option contracts on the same-side of the market on behalf of its own account or for the account of a customer, it must report information as to whether those positions are hedged and provide documentation as to how such contracts are hedged, in the manner and form required by the Exchange's Department of Market Regulation. In addition, to address the Commission's concerns with respect to the ability of the Exchange to monitor customer accounts that maintain large unhedged positions, the CBOE will add a margin and

clearing firm requirement. Pursuant to new Interpretation .04 to Exchange Rule 24.4, whenever the Exchange determines that additional margin is warranted in light of the risks associated with an under-hedged option position in excess of 45,000 contracts, the Exchange may impose additional margin upon the account maintaining such under-hedged position, or assess capital charges upon the clearing firm carrying the account to the extent of any margin deficiency resulting from the higher margin requirement.

B. Increase SPX Firm Facilitation, SPX Index Hedge, and SPX Money Manager Exemptions

In light of the increased SPX index option contract volume and the interest expressed by the member firm community, the Exchange proposes to increase the SPX firm facilitation exemption¹³ from 100,000 contracts to 400,000 contracts, and to increase the SPX index hedge exemption¹⁴ from 150,000 contracts to 250,000 contracts. The Exchange also proposes to increase the SPX money manager exemption to 350,000 exempted same-side of the market contracts, with no more than 235,000 contracts in any single account (from the existing 250,000 and 135,000 contracts permitted, respectively).

C. Expansion of Definition of Qualified Portfolio and extension of Broad-Based Index Hedge Exemption to Broker-Dealers

The CBOE proposes to expand the types of qualified portfolios described in Interpretation .01 to Exchange Rule 24.4, as well as the types of option strategies that qualify for higher position limits. As the investing public and broker-dealers use a broader and more sophisticated range of hedging strategies, the CBOE believes that there is a need to include in a qualified portfolio products that overlay various broad-based indexes, including index futures, options on index futures, index options, and index warrants, where the

³ See Securities Exchange Act Release No. 36738 (January 19, 1996), 61 FR 2324 (January 25, 1996).

⁴ See Letter from Bear Sterns & Co., CS First Boston, Goldman, Sachs & Co., J.P. Morgan Securities, Lehman Brothers Inc., Merrill Lynch & Co. Inc., Morgan Stanley & Co. Incorporated, Smith Barney Inc., Salomon Brothers Inc., and Swiss Bank Corporation to Jonathan G. Katz, Secretary, Commission, dated April 12, 1995 ("Working Group Letter").

⁵ In Amendment No. 1, the CBOE proposed the following revisions to its rule filing: (1) Amend the SPX index hedge exemption limits to 250,000 contracts (from the previously proposed 400,000 contracts); (2) amend the money manager SPX index hedge exemption limits to 350,000 SPX option contracts in the money manager's aggregated accounts and 235,000 SPX option contracts in any single account (from the previously proposed 600,000/325,000 contract levels); and (3) amend the broad-based index hedge exemption so that the Exchange's Department of Market Regulation may grant prospective broad-based index hedge exemptions to broker-dealers who may not yet have established qualified portfolios under Interpretation .01(c) to Exchange Rule 24.4. See letter from Margaret G. Abrams, Senior Attorney, CBOE, to Holly Smith, Associate Director, Division of Market Regulation, Commission, dated May 9, 1996 ("Amendment No. 1").

⁶ See Securities Exchange Act Release No. 37504 (July 31, 1996), 61 FR 40868 (August 6, 1996) (notice of Amendment No. 2 to File No. SR-CBOE-96-01) ("Amendment No. 2").

⁷ These positions do not have to be hedged under CBOE rules.

⁸ Position limits impose a ceiling on the aggregate number of option contracts on the same-side of the market that an investor, or group of investors acting in concert, may hold or write. Exercise limits impose a ceiling on the aggregate long positions in option contracts that an investor, or group of investors acting in concert, can or will have exercised within five consecutive business days.

⁹ See Securities Exchange Act Release No. 30944 (July 21, 1992), 57 FR 33376 (July 28, 1992) (increase of SPX position and exercise limits from 25,000 contracts to 45,000 contracts) (approval order for File No. SR-CBOE-92-09).

¹⁰ The CBOE notes that in September 1992, the average daily SPX index option volume during expiration week was 86,682 contracts and open interest was 1.3 million contracts. In comparison, in March 1995, the average daily SPX index option volume during expiration week was 208,678 contracts and open interest was 1.2 million contracts. In each of the years 1992 through 1994, approximately 300 market-maker exemptions from SPX position limits were granted in accordance with Interpretation .05 to Exchange Rule 4.11. In contrast, from January through November 20, 1995, 455 market-maker exemptions from SPX position limits were granted.

¹¹ See Interpretation .01 to Exchange Rule 24.4.

¹² According to the Exchange, the SPX reporting requirement of Interpretation .03 to Exchange Rule 24.4 will not apply to market-maker accounts because the Exchange's Department of Financial Compliance routinely monitors market-maker risk. As such, the Exchange believes that it is not necessary for a market-maker to report hedging information to the Exchange as this information is available through other means.

¹³ The CBOE defines a facilitation trade as a transaction that involves crossing an order of a member firm's public customer with an order from the member firm's proprietary account.

¹⁴ Under existing rules, public customers are allowed to apply for a hedge exemption from established position limits of SPX options if those customers hold certain pre-approved stock portfolios. The maximum size of the exempted position, however, cannot exceed the unhedged value of the qualified stock portfolio, and no exempted positions can exceed 150,000 contracts, regardless of the size of the stock portfolio.

As discussed below, the CBOE is also proposing to expand the existing definition of a qualified portfolio as well as to extend the customer index hedge exemption to broker-dealers. See Section II.C. and its discussion *infra*.

indexes are included in the same margin or cross-margin product groups at the Options Clearing Corporation ("OCC").

In addition, the CBOE proposes to extend the broad-based index hedge exemption to broker-dealers. The existing broad-based index hedge exemption is currently available only to public customers, including money managers. The CBOE notes that the corresponding equity hedge exemption¹⁵ is available to both public customers and broker-dealers. The Exchange believes that it can better meet the needs of securities professionals by making the broad-based index hedge exemption available to them to the same extent that the index hedge exemption is available to public customers.

D. Prospective Broad-Based Index Hedge Exemption for Broker-Dealers

The CBOE also proposes to amend the broad-based index hedge exemption so that the Exchange's Department of Market Regulation may grant prospective broad-based index hedge exemptions to broker-dealers who may not yet have established qualified portfolios under Interpretation .01(c) to Exchange Rule 24.4. The Exchange's Department of Market Regulation anticipates the need for granting prospective hedge exemptions in a situation where an Exchange market-maker or member organization is close to exceeding position limits in a particular broad-based index option class. According to the Exchange, a market-maker or member organization often will trade the option first and then hedge with either a stock basket or futures contract. Thus, a broker-dealer may not have established the qualified portfolio at the exact time it is putting on its options position. Accordingly, the Exchange's Department of Market Regulation may grant the index hedge exemption to a broker-dealer without a qualified portfolio, so long as the broker-dealer establishes the portfolio "concurrent with or at or about the same time as the execution of the exempt options positions" and provides to the Exchange's Department of Market Regulation appropriate documentation within two business days. The Exchange expects that the hedge will be established immediately following the execution of the options transaction.

E. Treatment of Collar and Debit Put Spread Transaction as One Contract for Hedging and Position Limit Purposes and Neither Side of Collar Transaction Can Be In-the-Money When Established for Broad-Based Index Hedge Exemption Purposes

The CBOE proposes to treat a "collar"¹⁶ position as one contract rather than as two contracts in Interpretation .01(f)(5) to Exchange Rule 24.4.¹⁷ According to the Exchange, within a limited range, the collar has less opportunity to benefit from upward and downward price changes than either of the collar's components. If the market climbs, the collar is equivalent to a covered write position. If the market declines, the collar is equivalent to a long put position. Because the strategy requires both the purchase of puts and the sale of calls, the CBOE believes that the position is more appropriately treated as one contract for hedging purposes rather than two separate put and call components. For the same reasons, because a strategy involving a covered write accompanied by a debit put spread requires a collar component, the CBOE similarly believes that the short call and long put should be treated as one contract in Interpretation .01(f)(7) to Exchange Rule 24.4.

The CBOE also proposes that new language in Interpretations .01(f)(5) and .01(f)(7) to Exchange Rule 24.4 will be added to require that neither side of the collar transaction can be in-the-money at the time the position is established. According to the Exchange, this is consistent with the Commission's approval of the National Association of Securities Dealer's ("NASD") definition of a collar transaction pursuant to its hedge exemption rule,¹⁸ as well as with the Exchange's original intention.¹⁹

F. Miscellaneous Changes

The CBOE also proposes to make other editorial changes to Exchange Rule 24.4 that are designed to streamline the rule and to eliminate confusing provisions. The CBOE notes that some of the changes include the following: (1) Allowing a hedge exemption account to be carried by any

member of a self-regulatory organization ("SRO") participating in the Intermarket Surveillance Group ("ISG");²⁰ confirming Exchange Rule 24.11A concerning debit put spread cash account transactions to Exchange Rule 24.4; and (3) consolidating the treatment of Quarterly Index Expiration ("QIXs") and Quarterly Index Expiration, Capped-Style ("Q-CAPS") options from three paragraphs to one.

III. Summary of Comments

The Commission received one comment letter on the proposed rule changes.²¹ The commenters, in general, expressed support for the proposed changes, noting that there is a demonstrated need for the higher position limits and that the increased and expanded facilitation and hedge exemptions will not increase market disruptions. In support of this, the commenters believe that the size of the market for index options has lessened the possibility that market participants could successfully engage in manipulation and that the SROs' surveillance systems have developed into highly sophisticated mechanisms that would make any effort to manipulate securities underlying indices easily transparent. Although believing that the proposals are a "good first step" in reducing the constraints imposed by position limits, the commenters state that further expansion of position limits is required. For example, the commenters argue that because hedged positions are market neutral, there should be no position or exercise limits on these positions. In addition, the commenters state that any limitation on the ability of market participants to use options to hedge their positions exposes participants to unnecessary risk on the unhedged portion of their portfolios. In this regard, the commenters believe that the adoption of an uncapped hedge exemption (*i.e.*, the ability to accumulate an unlimited number of options contracts provided that such contracts are properly hedged) is appropriate.

Similarly, the commenters support the CBOE's proposal to expand the types of hedges that qualify under the rule. By opening the discussion of how to take into account more sophisticated hedging techniques, the commenters believe that the CBOE is taking the "first step" toward recognizing delta hedging

¹⁶ In existing Interpretation .02(a)(5) to Exchange Rule 24.4, a collar position is referred to as a "hedgewrap."

¹⁷ A collar is a short call/long put option combination that is designed to protect the value of a related stock position.

¹⁸ See Securities Exchange Act Release No. 35874 (June 21, 1995), 60 FR 33440 (June 28, 1995) (approval order for File No. SR-NASD-94-60).

¹⁹ The Exchange is also proposing to replace the references to "a.m. settled" contracts in Interpretations .01(f)(5), .01(f)(6), and .01(f)(7) to Exchange Rule 24.4 with "non-p.m. settled" contracts.

²⁰ See new Interpretation .01(b) to Exchange Rule 24.4. Previously, such an account was restricted to being carried by a CBOE clearing member.

²¹ See *supra* note 4.

¹⁵ See Interpretation .04 to Exchange Rule 4.11.

as a valid hedging mechanism for position limit purposes.

In addition, by increasing SPX limits, the commenters believe that the proposal provides much needed relief for market participants who have increasingly found their ability to enter into legitimate market transactions unnecessarily constrained or who have turned to the futures market for the liquidity they require. Similarly, as the number of institutional clients who have the capacity and the need to hedge multi-billion dollar portfolios has grown, the increased customer facilitation limits will provide market participants with the ability to address both their current and potential clients' liquidity needs.

IV. Discussion

The Commission finds that the proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b)(5).²² Specifically, the Commission believes that the proposed increase in the SPX position limits and the SPX exemptions, together with the expansion of the index hedge exemption and the qualified portfolio provisions, will enhance the depth and liquidity of the market for both members and investors. Accordingly, the Commission believes that these rule changes are consistent with, and further the objectives of, Section 6(b)(5) of the Act in that they would remove impediments to and perfect the mechanism of a free and open market in a manner consistent with the protection of investors and the public interest.

A. Increase SPX Position and Exercise Limits

Since the inception of standardized options trading, the options exchanges have had rules imposing limits on the aggregate number of options contracts that a member or customer could hold or exercise. These rules are intended to prevent the establishment of options positions that can be used or might create incentives to manipulate or disrupt the underlying market so as to benefit the options position. In particular, position and exercise limits are designed to minimize the potential for mini-manipulations²³ and for corners or squeezes of the underlying market. In addition, they serve to reduce

the possibility for disruption of the options market itself, especially in illiquid options classes.

The Commission has been careful to balance two competing concerns when considering an SRO's position and exercise limits. First, the Commission has recognized that the limits must be sufficient to prevent investors from disrupting the market for the underlying security by acquiring and exercising a number of options contracts disproportionate to the deliverable supply and average trading volume of the underlying security. At the same time, the Commission has realized that limits must not be established at levels that are so low as to discourage participation in the options market by institutions and other investors with substantial hedging needs or to prevent specialists and market-makers from adequately meeting their obligations to maintain a fair and orderly market.²⁴

The Commission believes that the proposed increase in SPX position and exercise limits to 100,000 contracts will expand the depth and liquidity of the SPX market without significantly increasing concerns regarding intermarket manipulations or disruptions of the options or the underlying securities.²⁵ As previously noted by the Commission, markets with active and deep trading interest, as well as with broad public ownership, are more difficult to manipulate or disrupt than less active and deep markets with smaller public floats. In this regard, the SPX is a broad-based, capitalization-weighted index consisting of 500 of the most actively-traded and liquid stocks in the U.S.

Moreover, the CBOE has adopted important safeguards that will allow it to monitor large unhedged positions (those in excess of 45,000 contracts) in order to identify instances of potential risk²⁶ and to assess additional margin or capital charges against the clearing firm, if necessary.²⁷ In this regard, the CBOE

states that in the event of a large unhedged, potentially risky position, the Exchange will notify the clearing firm and assess the circumstances of the transactions, along with the firm's view of the exposure of the account, whether the account is approved and suitable for the strategies used, and whether additional margin has been collected.²⁸ The monitoring of unhedged accounts in excess of 45,000 contracts in this manner should provide the CBOE with the information necessary to determine whether additional margin or capital charges should be imposed in light of the risks associated with the unhedged SPX option position in accordance with Interpretation .04 to Exchange Rule 24.4.

Accordingly, given the size and breadth of the SPX, along with the new SPX reporting requirement set forth in Interpretation .03 to Exchange Rule 24.4 and the new margin and clearing firm requirements set forth in Interpretation .04 to Exchange Rule 24.4, the Commission believes that increasing the SPX position and exercise limits to 100,000 contracts should not increase any manipulative concerns. Finally, the Exchange's surveillance program will continue to be applicable to the trading of SPX options and should detect and deter trading abuses arising from the increased position and exercise limits.²⁹

B. Increase SPX Firm Facilitation Exemption

The Commission believes that the proposed increase of the SPX firm facilitation exemption from 100,000 contracts to 400,000 contracts will accommodate the needs of investors as well as market participants without substantially increasing concerns regarding the potential for manipulation and other trading abuses.³⁰ The Commission also believes that the proposed rule change will further enhance the potential depth and liquidity of the options market as well

may impose additional margin upon the account maintaining such under-hedged position, or assess capital charges upon the clearing firm carrying the account to the extent of any margin deficiency resulting from the higher margin requirement.

²⁸ See Amendment No. 2, *supra* note 6.

²⁹ The Exchange has represented that it intends to implement increased surveillance and reporting procedures to ensure a thorough understanding of the uses and risks of the underlying strategies supported by the increased position limits. The Exchange has also represented that it intends to provide reports regarding position limits to the Commission's Division of Market Regulation on a periodic basis and at appropriate thresholds of activity. See Amendment No. 1, *supra* note 5.

³⁰ The Commission notes that the SPX firm facilitation exemption is in addition to the standard limit and other exemptions available under Exchange rules, interpretations, and policies.

²² 15 U.S.C. 78f(b)(5) (1988).

²³ Mini-manipulation is an attempt to influence, over a relatively small range, the price movement in a stock to benefit a previously established derivatives position.

²⁴ See H.R. Rep. No. IFC-3, 96th Cong., 1st Sess. at 189-91 (Comm. Print 1978) ("Options Study").

²⁵ See Exchange Rule 24.4(a).

²⁶ Under new Interpretation .03 to Exchange Rule 24.4, each member or member organization, other than an Exchange marketmaker, that maintains a position in excess of 45,000 a.m.—settled, European-style S&P 500 option contracts on the same side of the market on behalf of its own account or for the account of a customer will report information as to whether those positions are hedged and provide documentation as to how such contracts are hedged, in the manner and form required by the Exchange's Department of Market Regulation.

²⁷ Under new Interpretation .04 to Exchange Rule 24.4, whenever the Exchange determines that additional margin is warranted in light of the risks associated with an under-hedged SPX option position in excess of 45,000 contracts, the Exchange

as the underlying markets by providing Exchange members greater flexibility in executing large customer orders.³¹

The CBOE's existing safeguards that apply to the current facilitation exemption will continue to serve to minimize any potential disruption or manipulation concerns. First, the facilitation firm must receive approval from the Exchange's Exemption Committee prior to executing facilitation trades.³² Second, a facilitation firm must, within five business days after the execution of a facilitation exemption order, hedge all exempt options positions that have not previously been liquidated, and furnish to the Exchange's Department of Market Regulation documentation reflecting the resulting hedging positions.³³ In meeting this requirement, the facilitation firm must liquidate and establish its customer's and its own options and stock positions or their equivalent in an orderly fashion, and not in a manner calculated to cause unreasonable price fluctuations or unwarranted price changes.³⁴ In addition, a facilitation firm is not permitted to use the facilitation exemption for the purpose of engaging in index arbitrage.³⁵ The Commission believes that these requirements will help to ensure that the facilitation exemption will not have an undue market impact on the options or on any underlying stock positions.

Third, the facilitation firm is required to promptly provide to the Exchange any information or documents requested concerning the exempted options positions and the positions hedging them, as well as to promptly notify the Exchange of any material change in the exempted options position or the hedge.³⁶

Fourth, neither the member's nor the customer's order may be contingent on "all or none" or "fill or kill"

instructions, and the orders may not be executed until Exchange Rule 6.74(b) (crossing order) procedures have been satisfied and crowd members have been given a reasonable time to participate in the trade.³⁷

Fifth, the facilitation firm may not increase the exempted option position once it is closed, unless approve from the CBOE is again received pursuant to a reapplication.³⁸

Lastly, violation of any of these provisions, absent reasonable justification or excuse, will result in the withdrawal of the facilitation exemption and may form the basis for subsequent denial of an application for a facilitation exemption.³⁹

In summary, the Commission continues to believe that the safeguards built into the facilitation exemptive process will serve to minimize the potential for disruption and manipulation concerns, while at the same time benefitting market participants by allowing member firms greater flexibility to facilitate large customer orders. The Commission also believes that the CBOE has adequate surveillance procedures to surveil for compliance with the rule's requirements. Based on these reasons, the Commission believes that it is appropriate to increase the SPX firm facilitation exemption to 400,000 contracts.

C. Increase SPX Index Hedge Exemption

The Commission believes that the proposed increase of the SPX index hedge exemption from 150,000 contracts to 250,000 contracts is consistent with the Commission's approach to position and exercise limits and adequately balances the benefits derived from increased limits against concerns regarding the potential for market disruptions and manipulations.⁴⁰ Specifically, because any SPX options position in excess of the outstanding SPX position limit must be fully hedged in conformity with one of the enumerated hedge positions,⁴¹ market disruption concerns are reduced. Moreover, to the extent that an SPX options position is hedged with a qualified stock portfolio,⁴² it should be more difficult to profit from any

intermarket manipulation. The Commission also notes that the rule will continue to require that the underlying options positions cannot exceed the unhedged value of the qualified portfolio. Accordingly, the Commission does not believe that the proposed increase of the index hedge exemption for SPX options will disrupt the options or equity markets or materially increase the possibility of manipulation in the underlying securities or options.

The CBOE's existing safeguards that apply to the current SPX index hedge exemption will continue to serve to minimize any potential disruption or manipulation concerns. The Commission notes that these safeguards and procedures will apply to the SPX index hedge exemption as well as to all other broad-based index hedge exemptions permitted under CBOE rules. First, the account in which exempted option positions are held must receive prior Exchange approval for the hedge exemption as well as specify the maximum number of contracts which may be exempt.⁴³ In addition, the hedge exemption account must promptly provide to the CBOE any information requested concerning the qualified portfolio, as well as promptly notify the Exchange of any material change in the qualified portfolio which materially affects the unhedged value of the qualified portfolio.⁴⁴

Second, positions included in a qualified portfolio which serve to secure an index hedge exemption may not also be used to secure any other position limit exemption granted by the Exchange, any other SRO, or any futures contract market.⁴⁵

Third, any member or member organization that maintains a broad-based index option position in such member's or member organization's own account or in a customer account, and has reason to believe that such position is in excess of the applicable limit, must promptly take the action necessary to bring the position into compliance.⁴⁶ Failure to abide by this provision will be deemed to be a violation of Exchange Rules 4.11 and 24.4.⁴⁷

Lastly, violation of any of the provisions of Exchange Rule 24.4 and the interpretations and policies thereunder, absent reasonable justification or excuse, will result in the

³¹ When initially approving the firm facilitation exemption for SPX options, the Commission expressed its opinion that providing member organizations with an exemption for the purpose of facilitating large customer orders would better serve the needs of the investing public. At that time, the Commission also noted that safeguards were built into the exemption to minimize any potential disruption or manipulation concerns. The Commission currently believes that these same benefits and assurances are also applicable with respect to the increased firm facilitation exemption. See Securities Exchange Act Release No. 20944 (July 21, 1992), 57 FR 33376 (July 28, 1992) (approval order for File No. SR-CBOE-92-09).

³² See Interpretation .06(a) to Exchange Rule 4.11.

³³ See Interpretation .06(d) to Exchange Rule 4.11.

³⁴ See Interpretation .06(e)(1) to Exchange Rule 4.11.

³⁵ *Id.*

³⁶ See Interpretations .06(b) and .06(e)(2) to Exchange Rule 4.11.

³⁷ See Interpretations .06(c)(1) and .06(c)(2) to Exchange Rule 4.11.

³⁸ See Interpretation .06(e)(3) to Exchange Rule 4.11.

³⁹ See Interpretation .06(f) to Exchange Rule 4.11.

⁴⁰ See Interpretation .01 to Exchange Rule 24.4.

⁴¹ See Interpretation .01(f) to Exchange Rule 24.4.

⁴² As discussed below, the CBOE is also proposing to expand the definition of a qualified portfolio as well as to extend the customer index hedge exemption to broker-dealers. See Section IV.D. and its discussion *infra*.

⁴³ See new Interpretation .01(a) to Exchange Rule 24.4.

⁴⁴ See new Interpretation .02(a) and .01(g)(3) to Exchange Rule 24.4.

⁴⁵ See new Interpretation .02(b) to Exchange Rule 24.4.

⁴⁶ See new Interpretation .02(c) to Exchange Rule 24.4.

⁴⁷ *Id.*

withdrawal of the index hedge exemption and may form the basis for subsequent denial of an application for an index hedge exemption.⁴⁸

Accordingly, the Commission continues to believe that the safeguards built into the index hedge exemptive process will serve to minimize the potential for disruption and manipulation, while at the same time benefitting market participants. The Commission also believes that the CBOE's surveillance procedures are sufficient to detect and deter trading abuses arising from the increased position and exercise limits associated with the increased index hedge exemption. Based on these reasons, the Commission believes that it is appropriate to increase the SPX index hedge exemption to 250,000 contracts.⁴⁹

D. Expansion of Definition of Qualified Portfolio and Extension of Broad-Based Index Hedge Exemption to Broker-Dealers

As noted above, the CBOE's broad-based index hedge exemption may be granted for positions in broad-based index options that are hedged with Exchange-approved qualified portfolios. The CBOE is proposing to expand current definition of a qualified portfolio to take into account the broader range of hedging strategies currently used by market participants. Specifically, the CBOE has proposed to include within the definition of a qualified portfolio products that overlay various broad-based indexes, including index futures, options on index futures, index options, and index warrants, where the indexes are represented in margin or cross-margin product groups at the OCC. Specifically, under the new index hedge exemption's requirements, a qualified portfolio may consist of: (i) Net long or short positions in common stocks, or securities readily convertible into common stocks, in at least four

industry groups, where the portfolio contains at least twenty stocks, none of which accounts for more than fifteen percent of the value of the portfolio; and/or (ii) net long or short positions in index futures contracts or in options on index futures contracts, or long or short positions in index options or index warrants, for which the underlying index is included in the same margin or cross-margin product group cleared at the OCC as the index option class to which the hedge exemption applies.⁵⁰ To remain qualified, a portfolio must at all times meet these standards, notwithstanding trading activity.⁵¹ In addition, the index hedge exemption applies to positions in broad-based index options and is applicable to the unhedged value of the qualified portfolio.⁵² The Exchange also proposes to extend the broad-based index hedge exemption to broker-dealers.

The Commission believes, as it did when originally approving the CBOE's index hedge exemption, that providing for increased position and exercise limits for broad-based index options in circumstances where those excess positions are effectively hedged with offsetting positions will provide greater depth and liquidity to the market and will allow investors to hedge their portfolios more effectively, without significantly increasing concerns regarding intermarket manipulations or disruptions of either the options market or the underlying stock market. The Commission believes that through the expanded definition of a qualified portfolio, an increased number of public customers and broker-dealers with long or short portfolios will be able to utilize the broad-based index hedge exemption,

thereby making an alternative hedging technique more available.

In addition, the Commission believes that it is reasonable for the CBOE to allow broker-dealers as well as public customers to utilize the broad-based index hedge exemption. The Commission believes that extending the exemption to broker-dealers may help to increase the depth and liquidity of the market for broad-based index options and may help to ensure that public customers receive the full benefit of the exemption. Moreover, the Commission is relying on the absence of discernible manipulation problems under the corresponding equity hedge exemption,⁵³ which is available to both public customers and broker-dealers, as an indicator that the proposed extension of the broad-based index hedge exemption is appropriate. Lastly, the Commission notes that the broad-based index hedge exemption will continue to include safeguards designed to lessen the possibility that the exempted positions could be used to disrupt or manipulate the market.⁵⁴

E. Increase SPX Money Manager Exemption

The Commission believes that the proposed increase of the SPX position limit exemption for money managers is both reasonable and consistent with the Act because it provides further flexibility to money managers in managing their accounts, without raising the potential for market disruption or manipulation.⁵⁵ First, the Commission notes that no single account can hold more than 235,000 exempted same-side of the market SPX option contracts.⁵⁶ Second, the exempted options position must be associated with one of the enumerated hedged positions.⁵⁷ Thus, all of the safeguards to minimize any potential disruption or manipulation that were discussed above in relation to the SPX index hedge exemption, are also applicable to the money manager SPX exemption.⁵⁸

F. Prospective Broad-Based Index Hedge Exemption for Broker-Dealers

The CBOE proposes to amend the broad-based index hedge exemption so that the Exchange's Department of Market Regulation may grant prospective broad-based index hedge exemptions to broker-dealers who may

⁴⁸ See new Interpretation .02(d) to Exchange Rule 24.4. The hedge exemption account also must: (i) Liquidate and establish options, stock positions or their equivalent, or other qualified portfolio products in an orderly fashion; (ii) not initiate or liquidate positions in a manner calculated to cause unreasonable price fluctuations or unwarranted price changes; (iii) not initiate or liquidate a stock position or its equivalent with an equivalent index option position with a view toward taking advantage of any differential in price between a group of securities and an overlying stock index; and (iv) liquidate any options prior to, or contemporaneously with, a decrease in the hedged value of the qualified portfolio, which options would thereby be rendered excessive. See new Interpretations .01(g)(1) and .01(g)(2) to Exchange Rule 24.4.

⁴⁹ The Commission notes that the SPX index hedge exemption is in addition to the standard limit and other exemptions available under Exchange rules, interpretations, and policies.

⁵⁰ See new Interpretations .01(c)(i) and .01(c)(ii) to Exchange Rule 24.4.

⁵¹ *Id.*

⁵² See new Interpretation .01(d) to Exchange Rule 24.4. Under this provision, the unhedged value is determined as follows: (1) The values of the net long or short positions of all qualifying products in the portfolio are totalled; (2) for positions in excess of the standard limit, the underlying market value of (a) any economically equivalent opposite side of the market calls and puts in broad-based index options, and (b) any opposite side of the market positions in stock index futures, options on stock index futures, and any economically equivalent opposite side of the market positions, assuming no other hedges for these contracts exist, is subtracted from the qualified portfolio; and (3) the market value of the resulting unhedged portfolio is equated to the appropriate number of exempt contracts as follows: the unhedged qualified portfolio is divided by the correspondent closing index value and the quotient is then divided by the index multiplier or 100.

In order to show how the CBOE would determine the number of contracts that qualify for an index hedge exemption, the CBOE has included in its rules both a definition of the unhedged value of a qualified portfolio as well as an example. See Interpretation .01(d) to Exchange Rule 24.4.

⁵³ See Interpretation .04 to Exchange Rule 4.11.

⁵⁴ See *supra* notes 43–48 and accompanying text.

⁵⁵ See Interpretation .01(e) to Exchange Rule 24.4.

⁵⁶ *Id.*

⁵⁷ See Interpretation .01(f) to Exchange Rule 24.4.

⁵⁸ See *supra* notes 43–48 and accompanying text.

not yet have established qualified portfolios under Interpretation .01(c) to Exchange Rule 24.4. The Exchange's Department of Market Regulation anticipates the need for granting prospective hedge exemptions in a situation where an Exchange market-maker or member organization is close to exceeding position limits in a particular broad-based index option class. According to the Exchange, a market-maker or member organization often will trade the option first and then hedge with either a stock basket or futures contract. Thus, a broker-dealer may not have established the qualified portfolio at the time it is hedging with the options. Accordingly, the Exchange's Department of Market Regulation may grant the index hedge exemption to a broker-dealer without a qualified portfolio.

The Commission does not believe that trading abuses are likely to result from the prospective hedge exemption for the following reasons. First, the exemption is limited to registered broker-dealers, and second these broker-dealers must effect the transaction(s) necessary to obtain a qualified portfolio "concurrent with or at or about the same time as the execution of the exempt options positions." The CBOE has stated to the Commission that it expects the hedge to be established immediately following the execution of the options transaction. Moreover, broker-dealers must provide to the Exchange's Department of Market Regulation appropriate documentation related to the portfolio within two business days. The Commission believes that the CBOE's surveillance procedures are sufficient to detect and deter trading abuses arising from the prospective hedge exemption and, in the event a broker-dealer is found to have violated the exemption, the CBOE is authorized to take all necessary and appropriate disciplinary actions. Accordingly, the Commission believes that it is appropriate for the Exchange to adopt a limited prospective broad-based index hedge exemption for broker-dealers.

G. Treatment of Collar and Debit Put Spread Transaction as One Contract for Hedging and Position Limit Purposes and Neither Side of Collar Transaction Can Be In-the-Money When Established for Broad-Based Index Hedge Exemption Purposes

The CBOE proposes to treat a collar position as one contract rather than as two contracts in Interpretation .01(f)(5) to Exchange Rule 24.4. Under the CBOE's rules, a collar is defined as a short call position accompanied by long put(s), where the short call(s) expires with the long put(s), and the strike price

of the short call(s) equals or exceeds the strike price of the long put(s). According to the Exchange, within a limited range, the collar has less opportunity to benefit from upward and downward price changes than either of the collar's components. If the market climbs, the collar is equivalent to a covered write position. If the market declines, the collar is equivalent to a long put position. Because the strategy requires both the purchase of puts and the sale of calls, the CBOE believes that the position is more appropriately treated as one contract for hedging purposes rather than two separate put and call components. In adopting this interpretation of a collar, the CBOE is also proposing that new language in Interpretations .01(f)(5) and .01(f)(7) to Exchange Rule 24.4 will be added to require that neither side of the collar transaction (or the short call, long put transaction) can be in-the-money at the time the position is established. According to the Exchange, this is consistent with the Commission's approval of the NASD's definition of a collar transaction pursuant to its hedge exemption rule, as well as with the Exchange's original intention. For the same reasons, because a strategy involving a covered write accompanied by a debit put spread requires a collar component, the CBOE similarly believes that the short call and long put should be treated as one contract in Interpretation .01(f)(7) to Exchange Rule 24.4.⁵⁹

The Commission believes that the increased number of options positions available by virtue of the Exchange's proposal will not result in disruptions to either the options or underlying stock market due to the conditions and limitations that must be met to be eligible for the exemption.⁶⁰ For example, the broad-based index hedge exemption collar strategy can only be effected in conjunction with a qualified stock portfolio; the exemption is available only for non-p.m. settled, European-style index options; the short call(s) must expire with the long put(s); the strike price of the short call(s) must equal or exceed the strike price of the long put(s); and neither side of the collar transaction can be in-the-money at the time the position is established. The Commission also believes that the

Exchange's surveillance program is adequately equipped to ensure that Exchange members comply with the exemption's requirements.

In addition, by approving the Exchange's proposal that neither side of the collar transaction can be in-the-money at the time the position is established, the Commission believes that the desired uniformity between the CBOE's and the NASD's definition of a collar transaction pursuant to their hedge exemption rules will be achieved.

H. Miscellaneous Changes

The CBOE is also proposing several other changes to its rules, including a requirement in new Interpretation .01(b) to Exchange Rule 24.4 that a hedge exemption account can be carried by a member of a SRO participating in the ISG.⁶¹ The Commission believes that through the Exchange's ISG information sharing arrangements,⁶² the hedge exemption account will continue to be adequately monitored. Other changes to the Exchange's rules include: (1) conforming Exchange Rule 24.11A concerning debit put spread cash account transactions to Exchange Rule 24.4; (2) consolidating the treatment of QIXs and Q-CAPS options from three paragraphs to one;⁶³ and (3) replacing the references to "a.m. settled" contracts in Interpretations .01(f)(5), .01(f)(6), and .01(f)(7) to Exchange Rule 24.4 with "non-p.m. settled" contracts. Because these changes are non-substantive or technical in nature or raise no additional regulatory issues, the Commission believes that they are consistent with Section 6(b)(5) of the Act.

The Commission finds good cause to approve Amendment No. 1 to the proposed rule change prior to the thirtieth day after the date of publication of notice of filing thereof in the Federal Register. Specifically, the increased position limits for the SPX index hedge exemption and the SPX money manager exemption that are contained in Amendment No. 1 to the proposed rule change are more restrictive than the CBOE's original proposal, which was published for the entire twenty-one day comment period and generated no negative responses. In addition, with regard to the prospective broad-based index hedge exemption for broker-dealers, the Commission believes that the Exchange has established sufficient safeguards to address concerns regarding manipulation or

⁵⁹ The CBOE defines a debit put spread position as a long put position coupled with a short put position overlying the same broad-based index and having an equivalent underlying aggregate index value, where the short put(s) expires with the long put(s), and the strike price of the long put(s) exceeds the strike price of the short put(s).

⁶⁰ See interpretations .01(f)(5) and .01(f)(7) to Exchange Rule 24.4.

⁶¹ Previously, such an account was restricted to being carried by a CBOE clearing member.

⁶² See Exchange Rule 15.9.

⁶³ See Exchange Rule 24.4(b).

other market disruptions. Accordingly, the Commission believes that it is consistent with Sections 6(b)(5) and 19(b)(2) of the Act to approve Amendment No. 1 to the proposed rule change on an accelerated basis.

Interested persons are invited to submit written data, views, and arguments concerning Amendment No. 1 to the rule proposal. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing also will be available for inspection and copying at the principal office of the CBOE. All submissions should refer to File No. SR-CBOE-96-01 and should be submitted by October 11, 1996.

V. Conclusion

Based on the above, the Commission believes that the proposed rule changes will serve to provide market participants with greater flexibility without significantly increasing concerns regarding intermarket manipulations or disruptions of either the options market or the underlying stock market.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁶⁴ that the proposed rule change (SR-CBOE-96-01), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁶⁵

Jonathan G. Katz,
Secretary.

[FR Doc. 96-24167 Filed 9-19-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37680]; File No. SR-CBOE-96-48]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Order Approving Proposed Rule Change Relating to the Consolidation of Minor Rule Violation Cases Involving the Same or a Related Transaction or Occurrence

September 13, 1996.

On July 10, 1996, the Chicago Board Options Exchange, Incorporated ("CBOE") submitted a proposed rule change to the Securities and Exchange Commission ("Commission") pursuant to Section 19(b) of the Securities Exchange Act of 1934 (the "Act")¹ and Rule 19b-4 thereunder,² to permit the consolidation of, into one hearing, the review of certain conduct involving trading conduct or decorum fines levied against different members of CBOE and involving the same or related transaction or occurrence.

Notice of the proposal together with its terms of substance was given by the issuance of a Commission release³ and by publication in the Federal Register.⁴ No comments were received regarding the proposal. The rule change will save CBOE time and staff resources. Additionally, it will be less burdensome on the individuals involved, who under the previous rules often had to appear at multiple hearings, either as a subject or as a witness. The Commission finds that the proposal rule change is consistent with the requirements of the Act and the rules thereunder applicable and, in particular, the requirements of Section 6⁵ and the rules thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change be, and hereby is approved.

For the Commission, by the Division of Market Regulation pursuant to delegated authority, 17 CFR 200.30-3(a)(12).

Jonathan G. Katz,
Secretary.

[FR Doc. 96-24170 Filed 9-19-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-37688; File No. SR-Phlx-96-39]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Philadelphia Stock Exchange, Inc., Relating to the Selective Quoting Facility for Foreign Currency Options

September 16, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on August 20, 1996, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule as described in Item I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Phlx, pursuant to Rule 19b-4 of the Act, proposes to amend the foreign currency option ("FCO") Selective Quoting Facility ("SQF"), embodied in Rule 1012, Commentary .04 and Floor Procedure Advice ("Advice") F-18, FCO Expiration Months and Strike Prices—Selective Quoting Facility, to designate two in-the-money strikes and six out-of-the-money strikes for both puts and calls as active.

The SQF establishes criteria to determine whether the bid/ask quotation for each FCO series is eligible for transmission to the Options Price Reporting Authority ("OPRA") for off-floor dissemination to securities data vendors. Currently, the SQF, a feature of the Exchange's Auto-Quote system, categorizes certain FCO strikes as "non-update" or "inactive" strikes, which are disseminated with the OPRA indicator "I" and zeroes (e.g., 000-000), in lieu of a market. In contrast, "update" or "active" strikes include, at minimum: (1) Around-the-money strikes in near-term American style options, and (2) strikes with open interest that have traded within the previous five days. Around-the-money strikes were recently¹ defined as those with an approximate 10, 20, 30, 40 and 50 delta.² Active strikes may also be added at the initiative of the Exchange or in

¹ 15 U.S.C. § 78s(b).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 37456 (July 19, 1996).

⁴ 61 FR 40053 (July 31, 1996).

⁵ 15 U.S.C. § 78.

¹ Securities Exchange Act Release No. 36636 (December 26, 1995) (File No. SR-Phlx-95-62).

² "Delta" is a measure of how much an option premium changes in relation to changes in the underlying. For example, a 50 delta represents that for every one point move in the spot price of an underlying foreign currency, the option moves 1/2.

⁶⁴ 15 U.S.C. 78s(b)(2) (1988).

⁶⁵ 17 CFR 200.30-3(a)(12).

response to a request by the Specialist or an FCO Floor Official.

When a series is inactive, those bids and offers are no longer updated in the Exchange's Auto-Quote system for dissemination. However, if interest is then voiced in any such series, it can be activated immediately upon establishment of a quote in that series. Inactive strikes with open interest (that have not traded in the previous five days) are quoted once at the close of trading each day for purposes of mark-to-market valuation. Because inactive series are not continuously updated and disseminated, quotation processing times are reduced such that quotes respecting active strikes are updated and disseminated to customers much more quickly.

At this time, the Exchange proposes that the Selective Quoting Facility be updated to reflect that certain around-the-money and longer-term strikes can be set as active. Specifically, two in-the-money strikes and six out-of-the-money strikes for both puts and calls will be set as the active around-the-money strikes each day.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposal is to codify certain system enhancements pertaining to the SQF into the governing Rule and Advice. Implemented in 1994,³ the SQF was intended to reduce the number of strike prices being continuously updated and disseminated, thus resulting in more timely and accurate FCO quote displays. Specifically, designating as inactive those series that are away-from-the-money or not recently traded eliminates quote changes in those series that have

the least amount of investor interest, thus reducing the dissemination delays caused by thousands of quote changes in volatile trading periods.

The Exchange amended the SQF last year⁴ to reduce the number of strikes considered active by: (1) Eliminating from the definition of active strikes those series with open interest that have not traded within the previous five trading days, but nevertheless requiring a closing quotation; (2) "de-activating" strikes intra-day that no longer fit the definition of active; and (3) redefining around-the-money active strikes as the five options with an approximate 10, 20, 30, 40 and 50 delta, instead of those four above and four below the spot price. This change was precipitated by volatility in the foreign currency markets causing dramatic fluctuation in foreign currency exchange rates, and, in turn, the addition of many strike prices to accommodate the new trading ranges of the underlying currencies. Therefore, the changes were intended to alleviate this burden and to improve the timeliness and accuracy of FCO quotes.

In building system enhancements to implement this change, testing revealed that the delta-based around-the-money strikes did not most accurately capture around-the-money interest and was not the most efficient or simple method of determining those strikes, as originally contemplated by the FCO floor. The Exchange had previously sought to define active strikes using deltas, in order to correspond to the terminology used by traders and to capture strikes of certain volatilities, which was an improvement upon having a set number. During testing, it was determined that the definition of around-the-money strikes be revisited, resulting in the proposal at hand.

The proposal at hand redefines around-the-money active strikes as two in-the-money strikes and six out-of-the-money strikes for both puts and calls. The purpose of this change is to more accurately reflect the most active series for dissemination of the most significant and meaningful quotes. FCO floor representatives determined that the 10–50 delta range did not necessarily incorporate such strikes. Each morning, under the proposal, the SQF would set eight calls and eight puts for each FCO expiration month. Previously, under the delta-based method, at least ten series were activated, and, in certain cases, more than five strikes out-of-the-money were required to capture the 50 delta and less than five captured the 50 delta in-the-money. Thus, based on specialist experience, the "two in the six out-of-

the-money" definition garners those strikes that are active daily and have the most trading interest. Furthermore, preliminary testing revealed that 10% fewer strikes in the sample were activated under the new definition. Therefore, the Exchange does not believe that the number of resulting strikes should differ significantly from the delta-based method. The actual number for each FCO depends upon the fluctuations in the underlying currency. Likewise, the Exchange believes that the "two in and six out" method is easier to discern for customers, floor traders, Exchange staff, and vendors alike.

Rule 1012, Commentary .04 establishes the minimum strikes to be activated, thus permitting the Exchange to designate other strikes as active. In this regard, the Exchange proposes to add the language "at minimum" to the Advice, for consistency with Rule 1012. In implementing the ability to activate other strikes, the Exchange has also designated as active all expiration months (except long-term) and around-the-money European style options. Activating expiration months other than the first three months became necessary due to complex system needs related to disseminating implied volatility levels using an outside vendor. Activation of around-the-money strikes is currently needed in all months to continue disseminating these levels under existing system configurations. With respect to end-of-month FCOs, only the first three expiration months are currently activated. Further, European style options are treated the same as American style options by the SQF system, such that the around-the-money definition activates the same strikes. The Exchange notes that these changes were implemented by FCO Committee representatives to facilitate the smooth operation of the SQF, and this proposal codifies this result by adding the permissive language from the Rule into the Advice.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6⁵ of the Act in general, and in particular, with Section 6(b)(5),⁶ in that it is designed to promote just and equitable principles of trade, prevent fraudulent and manipulative acts and practices, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, as well as to protect investors and the

³ Securities Exchange Act Release No. 33067 (October 19, 1993), 58 FR 57658 (October 26, 1993) (File No. SR-Phlx-92-23).

⁴ See, *supra* note 1.

⁵ 15 U.S.C. 78f.

⁶ 15 U.S.C. 78f(b)(50).

public interest. Specifically, the Exchange believes the proposal promotes just and equitable principles of trade by facilitating speedier dissemination of FCO markets. Although the proposal may, but does not necessarily, result in a greater number of active strikes, the Exchange believes that any additional activation of strikes is necessary to ensure that SQF dissemination includes truly active strikes. Thus, the proposal balances the need to prevent excessive quote disseminations with preserving meaningful dissemination of FCO quotes. The proposal is also designed to facilitate coordination between the Exchange, the Options Clearing Corporation ("OCC"), OPRA and securities information vendors. A quote will always be disseminated when a trade occurs in a previously-inactive series and quotes in inactive series can always be requested from the trading crowd, consistent with the protection of investors and the public interest. In sum, the Phlx believes that the proposed changes to the SQF should facilitate the specialists' ability to focus on active series, which should, in turn, result in tighter, more liquid markets, consistent with Section 6(b)(5).

B. Self-Regulatory Organization's Statement on Burden on Competition

The Phlx does not believe that the proposed rule change will impose any inappropriate burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Phlx consents, the Commission will:

(A) By order approve such proposed rule change, or,

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions

should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW, Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the Phlx. All submissions should refer to File No. SR-Phlx-96-39 and should be submitted by October 11, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.

Jonathan G. Katz,
Secretary.

[FR Doc. 96-24168 Filed 9-19-96; 8:45 am]

BILLING CODE 8010-01-M

SOCIAL SECURITY ADMINISTRATION

Agency Information Collection Activities: Proposed Collection Request

The Social Security Administration publishes a list of information collection packages that will require submission to the Office of Management and Budget (OMB) for clearance in compliance with Public Law 104-13 effective October 1, 1995, The Paperwork Reduction Act of 1995. The information collections listed below require extension of the current OMB approval:

(Call the SSA Reports Clearance Officer on (410) 965-4125 for a copy of the form(s) or package(s), or write to her at the address listed below the information collections)

1. Employer Report of Special Wage Payments—0960-NEW. The information collected on form SSA-131 will be used by the Social Security Administration to verify wage information in order to prevent earnings-related overpayments or to avoid erroneous withholding of benefits. The respondents are employers who need to report an event which requires special wage payment verification.

Number of Respondents: 100,000.
Frequency of Response: 1.

Average Burden Per Response: 20 minutes.

Estimated Annual Burden: 33,333 hours.

2. Quickstart Enrollment Form—0960-NEW. The information is needed by the Social Security Administration to facilitate electronic transmission of data for direct deposit of funds to a payee's account. The respondents are Social Security and SSI recipients requesting direct deposit and their financial institutions.

Number of Respondents: 3,950,000.

Frequency of Response: 1.

Average Burden per Response: 5 minutes.

Estimated Annual Burden: 329,167 hours.

Written comments and recommendations regarding these information collections should be sent within 60 days from the date of this publication, directly to the SSA Reports Clearance Officer at the following address: Social Security Administration, DCFAM, Attn: Judith T. Hasche, 6401 Security Blvd., 1-A-21 Operations Bldg., Baltimore, MD 21235.

In addition to your comments on the accuracy of the agency's burden estimate, we are soliciting comments on the need for the information; its practical utility; ways to enhance its quality, utility and clarity; and on ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology.

Agency Information Collection Activities: Submission for OMB Review; Comment Request

The information collections listed below, which were published in the Federal Register on July 5, 1996 have been submitted to OMB.

(Call Reports Clearance Officer on (410) 965-4125 for copies of package)

OMB Desk Officer: Laura Oliven.

SSA Reports Clearance Officer: Judith T. Hasche.

1. Application for Wife's or Husband's Insurance Benefits—0960-0008. The information collected on form SSA-2 is needed by the Social Security Administration to determine an applicant's eligibility to wife's or husband's benefits. The respondents are individuals who wish to file for those types of benefits.

Number of Respondents: 700,000.

Frequency of Response: 1.

Average Burden Per Response: 10 minutes.

Estimated Annual Burden: 116,667 hours.

2. Statement of Marital Relationship (By One of the Parties)—0960-0038.

The information collected on form SSA-754 is used by the Social Security Administration to prove or disprove the existence of a valid common-law marriage. The respondents are individuals who allege a common-law marriage to someone entitled to Social Security benefits.

Number of Respondents: 30,000.

Frequency of Response: 1.

Average Burden Per Response: 30 minutes.

Estimated Annual Burden: 15,000 hours.

3. Worker's Compensation/Public Disability Benefit Questionnaire—0960-0247. The information collected on form SSA-546 is used by the Social Security Administration to help determine if receipt of a workmen's compensation or public disability benefit by an individual will cause a reduction in his or her Social Security disability benefits. The respondents are applicants for Social Security Title II disability benefits.

Number of Respondents: 100,000.

Frequency of Response: 1.

Average Burden Per Response: 15 minutes.

Estimated Annual Burden: 25,000 hours.

4. Voluntary Customer Surveys In Accordance with E.O. 12862 Within the Social Security Administration—0960-0526. These voluntary customer surveys will be used to ascertain customer satisfaction with the Social Security Administration in terms of timeliness, appropriateness, access, and other measures of quality service. Surveys will involve individuals that are the direct or indirect beneficiaries of SSA services. The average burden per response for these activities is estimated to range from 5 minutes for a simple comment card to 2 hours for participation in a focus group.

FY 1997:

Number of Respondents: 1,377,423.

Frequency of Response: 1.

Estimated Annual Burden: 129,902 hours.

FY 1998:

Number of Respondents: 1,389,413.

Frequency of Response: 1.

Estimated Annual Burden: 133,062.

FY 1999:

Number of Respondents: 1,389,529.

Frequency of Response: 1.

Estimated Annual Burden: 133,354.

Written comments and recommendations regarding these information collections should be sent within 30 days of the date of this publication. Comments may be directed to OMB and SSA at the following addresses:

(OMB)—Office of Management and Budget, OIRA, Attn: Laura Oliven, New Executive Office Building, Room 10230, 725 17th St., NW, Washington, D.C. 20503.

(SSA)—Social Security Administration, DCFAM, Attn: Judith T. Hasche, 6401 Security Blvd., Baltimore, MD 21235.

Dated: September 13, 1996.

Judith T. Hasche,

Reports Clearance Officer, Social Security Administration.

[FR Doc. 96-24140 Filed 9-19-96; 8:45 am]

BILLING CODE 4190-29-P

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Reports, Forms and Recordkeeping Requirements Agency Information Collection Activity Under OMB Review

AGENCY: Department of Transportation (DOT).

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), this notice announces that the Information Collection Request (ICR) abstracted below has been forwarded to the Office of Management and Budget (OMB) for review and comment. The ICR describes the nature of the information collection and its expected cost and burden. The Federal Register Notice with a 60-day comment period soliciting comments on the following collection of information was published on March 7, 1996 (FR 61, page 9223).

DATES: Comments must be submitted on or before October 21, 1996.

FOR FURTHER INFORMATION CONTACT: Richard Weaver, (202) 366-2811, and refer to the OMB Control Number.

SUPPLEMENTARY INFORMATION:

Maritime Administration (MARAD)

Title: Uniform Financial Reporting Requirements.

Type of Request: Approval of changes to a currently approved information collection.

OMB Control Number: 2133-0005.

Form Number: MA-172.

Affected Public: Various ship-building and ship-owning companies which choose to participate in the Maritime Administration's loan guarantee and operating support programs.

Abstract: Form MA-172 consists of a balance sheet, an income statement, schedules of debt and equipment, and listings of company officers, stockholders, and related parties. In

order to reduce the burden of the current information collection, Form MA-172 would be reduced in scope and number of schedules. The information in the MA-172 is integral to conventional financial records generally kept by all businesses, but is supplemental to their financial statements prepared periodically. Therefore, much of the form can be satisfied by the information found in the financial statements audited by certified public accountants and can be substituted by copies of the published data or listings from the company records.

Thus, the time required to complete a MA-172 can be reduced to an efficient gathering of existing documents.

Need and Use of the Information: MARAD administers financial assistance programs promoting the U.S. merchant marine. This information collection is in compliance with those program regulations requiring financial reporting used in reviews and analyses to determine compliance with contractual requirements and to evaluate industry financial trends.

Estimated Annual Burden: The total annual burden is 2,375 hours for 190 responses, 12 hours per response. The total hours should decrease when the changes covered by this request for comments are implemented.

ADDRESSES: Send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725-17th Street, NW, Washington, DC 20503, Attention OST Desk Officer.

Comments are Invited on: whether the proposed collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; the accuracy of the Department's estimate of the burden of the proposed information collection; ways to enhance the quality, utility and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Issued in Washington, DC, on September 17, 1996.

Phillip A. Leach,

Clearance Officer, United States Department of Transportation.

[FR Doc. 96-24195 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-62-P

**Aviation Proceedings; Agreements
Filed During the Week Ending 9/13/96**

The following Agreements were filed with the Department of Transportation under the provisions of 49 U.S.C 412 and 414. Answers may be filed within 21 days of date of filing.

Docket Number: OST-96-1685.

Date filed: September 9, 1996.

Parties: Members of the International Air Transport Association.

Subject: PTC2 EUR 0005 dated September 3, 1996 r1-4, PTC2 EUR 0006 dated September 3, 1996 r5-8, PTC2 EUR 0007 dated September 3, 1996 r9, PTC2 EUR 0008 dated September 3, 1996 r-10-15, PTC2 EUR 0009 dated September 3, 1996 r-16-19, PTC2 EUR 0010 dated September 3, 1996 r20-33, PTC2 EUR 0011 dated September 3, 1996 r34-35, Within Europe Resolutions, Intended effective date: as early as October 15, 1996.

Docket Number: OST-96-1690.

Date filed: September 11, 1996.

Parties: Members of the International Air Transport Association.

Subject: COMP Telex Reso 024f, Local Currency Fare Changes—Hungary, Intended effective date: October 1, 1996.

Docket Number: OST-96-1705.

Date filed: September 13, 1996.

Parties: Members of the International Air Transport Association.

Subject: COMP Reso/P 1120 dated July 30, 1996 r1-10, COMP Reso/P 1121 dated July 30, 1996 r11-20, COMP Reso/P 1122 dated July 30, 1996 r21, Minutes-PTC COMP 0005 dated August 23, 1996, Correction-PTC COMP 0011 dated August 27, 1996, PTC COMP 0012 dated August 27, 1996, Intended effective date: starting October 1, 1996.

Docket Number: OST-96-1706.

Date filed: September 13, 1996.

Parties: Members of the International Air Transport Association.

Subject: PTC 0002 dated August 23, 1996, TC1 Longhaul Expedited Resos: r-1-041c, r-3-072pp, r-2-061c, r-4-015u, Intended effective date: October 15, 1996.

Docket Number: OST-96-1707.

Date filed: September 13, 1996.

Parties: Members of the International Air Transport Association.

Subject: PTC1 0001 dated August 23, 1996, Within South America Expedited Resos, Correction—PTC1 0007 dated September 10, 1996, r-1-015v, r-3-041d, r-5-070j, r-2-015d, r-4-061d, r-6-072vv, r-7-074gg, Intended effective date: October 15, 1996.

Paulette V. Twine,

Chief, Documentary Services Division.

[FR Doc. 96-24172 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-62-P

Office of the Secretary

[Docket OST-96-1600, Order 96-9-19]

**Expanded Cargo Transfer Flexibility at
Alaska International Airports**

SUMMARY: The Department tentatively finds that it is consistent with the public interest to grant, except as noted below, the application filed by the State of Alaska, the Anchorage International Airport, and the Fairbanks International Airport on July 26, 1996, requesting that the Department grant blanket authority to all foreign air carriers to conduct expanded cargo transfer activities at international airports in the State of Alaska. The Department is inviting comments on its tentative decision to grant, except as noted below, to all foreign air carriers which hold currently effective Department authority to engage in scheduled foreign air transportation of cargo (whether under authorizations permitting combination or all-cargo services), exemption authority under 49 U.S.C. 41301 to engage in the following cargo transfer activities at Anchorage and Fairbanks International Airports: (1) On-line cargo transfers from one of their own aircraft to any of their other aircraft; (2) all forms of change of gauge for cargo operations, including "starburst" change of gauge; (3) commingling of cargo traffic moving in foreign air transportation with cargo traffic not moving in foreign air transportation; (4) interline cargo transfers to and from U.S. carriers; and (5) interline cargo transfers to and from other foreign carriers. Grant of this authority would also apply to any foreign air carriers which receive Department authority to engage in scheduled foreign air transportation of cargo (whether under authorizations permitting combination or all-cargo services) during the period this exemption is in effect. However, grant of this authority would not apply to foreign air carriers of Japan and the United Kingdom, since we are actively engaged in critical, comprehensive negotiations aimed at forging new, more competitive bilateral aviation agreements with both of these important trading partners. The authority would be effective for one year from the date this show cause order becomes final.

DATES: Objections to the issuance of a final order in this proceeding are due: October 4, 1996. If objections are filed, answers to objections are due: October 11, 1996. Persons filing pleadings should contact the Department's Foreign Air Carrier Licensing Division at the telephone number listed below for a list

of persons to be served with objections and answers to objections.

ADDRESSES: All documents in this proceeding, with appropriate filing copies, should be filed in Docket OST-96-1600, addressed to Central Docket Management Facility, U.S. Department of Transportation, Room PL401, 400 Seventh Street, S.W., Washington, D.C. 20590.

FOR FURTHER INFORMATION CONTACT: Barbara Schools, Foreign Air Carrier Licensing Division, U.S. Department of Transportation, Room 6412, 400 Seventh Street, S.W., Washington, D.C. 20590. Telephone (202) 366-2401.

Dated: September 16, 1996.

Charles A. Hunnicutt,

Assistant Secretary for Aviation and International Affairs.

[FR Doc. 96-24131 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-62-P

Federal Aviation Administration**Aviation Rulemaking Advisory
Committee; Air Traffic Issues—New
Task**

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of new task assignment for the Aviation Rulemaking Advisory Committee (ARAC).

SUMMARY: Notice is given of new task assigned to and accepted by the Aviation Rulemaking Advisory Committee (ARAC). This notice informs the public of the activities of ARAC.

FOR FURTHER INFORMATION CONTACT: Reginald C. Matthews, Assistant Executive Director for Air Traffic Issues, Airspace and Rules Division (ATA-400), 800 Independence Avenue, SW., Washington, DC 20591, Telephone: (202) 267-8783.

SUPPLEMENTARY INFORMATION:**Background**

The FAA has established an Aviation Rulemaking Advisory Committee to provide advice and recommendations to the FAA Administrator, through the Associate Administrator for Regulation and Certification, on the full range of the FAA's rulemaking activities with respect to aviation-related issues. This includes obtaining advice and recommendations on the FAA's commitment to harmonize its Federal Aviation Regulations (FAR) and practices with its trading partners in Europe and Canada.

One area ARAC deals with is air traffic issues. These issues involve the basic visual flight rules (VFR) weather

minimums and special visual flight rules (SVFR) in 14 CFR part 91.

The Task

This notice is to inform the public that the FAA has asked ARAC to provide advice and recommendation on the following task:

—VFR/SVFR Weather Minimums: Review the existing language in 14 CFR 91.155 and 14 CFR 91.157 to create language that would be more easily understood.

The FAA also has asked that ARAC determine if rulemaking action (e.g., NPRM, supplemental NPRM, final rule, withdrawal) should be taken, or advisory material should be issued. If so, ARAC has been asked to prepare the necessary documents, including economic analysis, to justify and carry out its recommendation(s).

ARAC Acceptance of Task

ARAC has accepted the task and has chosen to establish a new SVFR Working Group. The working group will serve as staff to ARAC to assist ARAC in the analysis of the assigned task. Working group recommendations must be reviewed and approved by ARAC. If ARAC accepts the working group's recommendations, it forwards them to the FAA as ARAC recommendations.

Working Group Activity

The SVFR Working Group is expected to comply with the procedures adopted by ARAC. As part of the procedures, the working group is expected to:

1. Recommend a work plan for completion of the tasks, including the rationale supporting such a plan, for consideration at the meeting of ARAC to consider air traffic issues held following publication of this notice.
2. Give a detailed conceptual presentation of the proposed recommendations, prior to proceeding with the work stated in item 3 below.
3. For each task, draft appropriate regulatory documents with supporting economic and other required analyses, and/or any other related guidance material or collateral documents the working group determines to be appropriate; or, if new or revised requirements or compliance methods are not recommended, a draft report stating the rationale for not making such recommendations.
4. Provide a status report at each meeting of ARAC held to consider air traffic issues.

Participation in the Working Group

The SVFR Working Group is composed of experts having an interest in the assigned task. A working group

member need not be a representative of a member of the full committee.

An individual who has expertise in the subject matter and wishes to become a member of the working group should write to the person listed under the caption **FOR FURTHER INFORMATION CONTACT** expressing that desire, describing his or her interest in the tasks, and stating the expertise he or she would bring to the working group. The request will be reviewed by the assistant chair, the assistant executive director, and the working group chair, and the individual will be advised whether or not the request can be accommodated.

The Secretary of Transportation has determined that the formation and use of ARAC are necessary and in the public interest in connection with the performance of duties imposed on the FAA by law.

Meetings of ARAC will be open to the public, except as authorized by section 10(d) of the Federal Advisory Committee Act. Meetings of the VFR/SVFR Working Group will not be open to the public, except to the extent that individuals with an interest and expertise are selected to participate. No public announcement of working group meetings will be made.

Issued in Washington, DC, on September 13, 1996.

Reginald C. Matthews,

Assistant Executive Director for Air Traffic Issues, Aviation Rulemaking Advisory Committee.

[FR Doc. 96-24067 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-13-M

Air Traffic Procedures Advisory Committee

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of meeting.

SUMMARY: The FAA is issuing this notice to advise the public that a meeting of the Federal Aviation Administration Air Traffic Procedures Advisory Committee (ATPAC) will be held to review present air traffic control procedures and practices for standardization, clarification, and upgrading of terminology and procedures.

DATES: The meeting will be held from October 21 through October 24, 1996, from 9 a.m. to 5 p.m. each day.

ADDRESSES: The meeting will be held in the MacCracken Room at the Federal Aviation Administration, 800 Independence Avenue, SW, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Mr. W. Frank Price, Executive Director, ATPAC, Air Traffic International Staff,

ATX-20, 800 Independence Avenue, SW., Washington, DC 20591, telephone (202) 267-9313.

SUPPLEMENTARY INFORMATION: Pursuant to Section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463; 5 U.S.C. App. 2), notice is hereby given of a meeting of the ATPAC to be held October 21 through October 24, 1996, in the MacCracken Room at the Federal Aviation Administration, 800 Independence Avenue, SW, Washington, DC.

The agenda for this meeting will cover: a continuation of the Committee's review of present air traffic control procedures and practices for standardization, clarification, and upgrading of terminology and procedures. It will also include:

1. Approval of Minutes.
2. Submission and Discussion of Areas of Concern.
3. Discussion of Potential Safety Items.
4. Report from Executive Director.
5. Items of Interest.
6. Discussion and agreement of location and dates for subsequent meetings.

Attendance is open to the interested public but limited to the space available. With the approval of the Chairperson, members of the public may present oral statements at the meeting. Persons desiring to attend and persons desiring to present oral statements should notify the person listed above not later than October 18, 1996. The next quarterly meeting of the FAA ATPAC is planned to be held from January 13-16, 1997, in New Orleans, LA.

Any member of the public may present a written statement to the Committee at any time at the address given above.

Issued in Washington, DC, on September 16, 1996.

W. Frank Price,

Executive Director, Air Traffic Procedures Advisory Committee.

[FR Doc. 96-24179 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-13-M

RTCA, Inc. Special Committee 159; Minimum Operational Performance Standards for Airborne Navigation Equipment Using Global Positioning System (GPS)

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (P.L. 92-463, 5 U.S.C., Appendix 2), notice is hereby given for a Special Committee (SC) 159 meeting to be held October 7-12, 1996, starting at 9:00 a.m. The meeting will be held at RTCA, 1140

Connecticut Avenue, N.W., Washington, DC, 20036.

The agenda will be as follows:

Specific Working Group (WG) Sessions

October 7: WG 4A, Precision Landing Guidance (CAT II/III)

October 8: WG 4A (continued); WG 1, GPS/GLONASS

October 9: WG 2, WAAS; WG 4B, Airport Surface Surveillance

Plenary Session

October 10–11: (1) Chairman's Introductory Remarks; (2) Review/Approval of Minutes of Previous Meeting; (3) Review WG Progress and Identify Issues for Resolution: GPS/GLONASS (WG 1); GPS/WAAS (WG 2); GPS/Precision Landing Guidance and Airport Surface Surveillance (WG's 4 A&B and Ad Hoc); Interference Issues, Review of Interference Report (WG 6); (4) Review of EUROCAE Activities; (5) Final Review/Approval of Change 2 to DO-217 and the Assessment of Radio Frequency Interference Relevant to the GNSS Document; (6) Assignment/Review of Future Work; (7) Other Business; (8) Date and Location of Next Meeting.

Attendance is open to the interested public but limited to space availability. With the approval of the chairman, members of the public may present oral statements at the meeting. Persons wishing to present statements or obtain information should contact the RTCA Secretariat, 1140 Connecticut Avenue, N.W., Suite 1020, Washington, DC, 20036; (202) 833-9339 (phone) or (202) 833-9434 (fax). Members of the public may present a written statement to the committee at any time.

Issued in Washington, D.C., on September 16, 1996.

Terry R. Hannah,

Deputy Director, Office of System Architecture and Program Evaluation, ASD-2 Designated Official.

[FR Doc. 96-24174 Filed 9-19-96; 8:45 am]

BILLING CODE 4810-13-M

Flight Standards District Office at Reno, Nevada; Notice of Relocation

Notice is hereby given that on or about August 28, 1996, the Flight Standards District Office at 210 S. Rock Blvd., Reno, Nevada, 89502 will be relocating to 4900 Energy Way, Reno, Nevada. Services to the general public will continue to be provided by this office without interruption. This information will be reflected in the FAA Organization Statement the next time it is reissued. (Sec. 313(a), 72 Stat. 752; 49 U.S.C. 1354.)

Issued in Hawthorne, CA, on September 11, 1996.

William C. Withycombe,

Regional Administrator, Western-Pacific Region.

[FR Doc. 96-24180 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-13-M

Federal Highway Administration

Environmental Impact Statement: Bernalillo County, NM

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of intent to prepare an environmental impact statement (EIS) for improvements to the Interstate 25/Interstate 40 Interchange.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed transportation project in Bernalillo County, New Mexico in accordance with 23 CFR 771.

FOR FURTHER INFORMATION CONTACT: Reuben S. Thomas, Division Administrator, Federal Highway Administration, 604 W. San Mateo, Santa Fe, NM 87505, Telephone: (505) 820-2022.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the New Mexico State Highway and Transportation Department, will prepare an environmental impact statement (EIS) on a proposal to make improvements to the Interstate 25/Interstate 40 interchanges (Big I) in Albuquerque, New Mexico. The "Big I" is centrally located within the Albuquerque urban area of Bernalillo County, New Mexico. The "Big I" is a focal point for local, state and regional traffic using I-25 and I-40 and, as such, is a critical element of the interstate system in Albuquerque and the State. The study area for the I-25/I-40 interchange project includes a 2.7 mile section of I-25 and a 2.6 mile section of I-40. The study area includes the interstate system, including service interchanges, ramps and ramp intersections with arterial cross streets. The study area is bounded on the north by the Comanche Road interchange, on the east by the Carlisle Boulevard interchange, on the south by the Dr. Martin Luther King Jr. Avenue interchange, and on the west by the Sixth Street interchange. Three fundamental problems exist within the project area. These are: (1) Recurring congestion on the freeway mainline and ramps; (2) a significantly higher than normal accident rate and consequential congestion associated with these

accidents; and, (3) the need to replace aging bridge structures and pavement.

A major investment study scoping meeting was held to comply with metropolitan transportation planning regulations. The purpose of the "Big I" major investment study is to confirm the need for improvements to the interchange and adjacent interstate system. This study will also identify the design concept and scope of the needed transportation improvement and evaluate potential transportation alternatives that address the need for improvement.

Alternatives for consideration will include the No-Action option and alternatives identified in the major investment study.

Informal scoping for the proposal has begun. Comments were solicited from appropriate Native American groups, Federal, state and local agencies and from private organizations and citizens. Additional public information and formal scoping meetings will discuss our intention to prepare an Environmental Impact Statement and will provide opportunity for public and agency input to aid preparation of the documentation.

The draft EIS will be made available for Native American, public and agency review and comment. A public hearing will be advertised and held after document distribution and review.

To ensure that the full range of issues related to this proposed action are addressed and all significant issues and impacts identified, comments and suggestions are invited from all interested parties. Comments on questions concerning this proposed action and the EIS should be directed to the FHWA at the address provided above.

(Catalogue of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.)

Issued on June 30, 1994.

Reuben S. Thomas,

Division Administrator, Santa Fe, NM.

[FR Doc. 96-24100 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-22-M

Environmental Impact Statement: Santa Fe County, NM

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent to prepare an environmental impact statement (EIS) for improvements to US 84/US 285.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed transportation project in Santa Fe County, New Mexico in accordance with 23 CFR 771.

FOR FURTHER INFORMATION CONTACT: Reuben S. Thomas, Division Administrator, Federal Highway Administration, 604 W. San Mateo, Santa Fe, NM 87505, Telephone: (505) 820-2022.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the New Mexico State Highway and Transportation Department, will prepare an environmental impact statement (EIS) on a proposal to make improvements to US 84/US 285 in Santa Fe County, New Mexico. The segment of US 84/US 285 under study is the major route connecting the State capital, Santa Fe, to destinations in northern New Mexico, including residential, recreation, commercial, cultural and historic areas. In the immediate area are the cities of Los Alamos, home of Los Alamos National Laboratory, and Espanola, the Pueblos of Pojoaque, Tesuque, and Nambe, numerous small surrounding communities, such as Tesuque and Cuyamungue, Santa Fe Ski Area, Santa Fe National Forest, and Bandelier National Monument.

The study area for the US 84/US 285 project is from Alamo Drive in Santa Fe to Viarrial Street in the Pueblo of Pojoaque, a distance of 22.5 kilometers or 14.0 miles. This portion of the highway traverses four political areas and portions of the City of Santa Fe, Santa Fe County, Pueblo of Tesuque, and Pueblo of Pojoaque.

The study corridor is currently a four-lane divided, partly suburban and partly rural highway with uncontrolled and unrestricted access. Three fundamental problems exist within the project area. These are: (1) capacity problems with current traffic projections; (2) a significantly higher than normal accident rate and consequential congestion associated with these accidents; and, (3) the need to replace aging bridge structures and pavement.

A major investment study scoping meeting was held to comply with metropolitan transportation planning regulations. The MIS will: (1) evaluate the need for improvements, (2) identify the design concept and scope of the needed transportation improvements and (3) evaluate potential transportation alternatives that address the need for improvement. Alternatives for consideration will include the No-Action option and alternatives identified in the major investment

study. Options include, but are not limited to, access control, traffic lights, interchanges, intersection realignment, additional general purpose lanes, frontage roads and park and ride lots.

Informal scoping for the proposal has begun. Comments were solicited from appropriate Native American groups, Federal, State and local agencies and from private organizations and citizens.

Additional public information and formal scoping meetings will discuss our intention to prepare an Environmental Impact Statement and will provide opportunity for public and agency input.

The draft EIS will be made available for Native American, public and agency review and comment. A public hearing will be advertised and held during the review period.

To ensure that the full range of issues related to this proposed action are addressed and all significant issues and impacts identified, comments and suggestions are invited from all interested parties. Comments on questions concerning this proposed action and the EIS should be directed to the FHWA at the address provided above.

(Catalogue of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.)

Issued on June 30, 1994.

Reuben S. Thomas,

Division Administrator, Santa Fe, NM.

[FR Doc. 96-24101 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-22-M

National Highway Traffic Safety Administration

[Docket No. 96-068; Notice 2]

Michelin North America, Inc.; Grant of Application for Decision of Inconsequential Noncompliance

This notice grants the application by Michelin North America, Inc. (Michelin) of Greenville, South Carolina, to be exempted from the notification and remedy requirements of 49 U.S.C. 30118, 30120 for a noncompliance with 49 CFR 571.109, Federal Motor Vehicle Safety Standard (FMVSS) No. 109, "New Pneumatic Tires." The basis of the application is that the noncompliance is inconsequential as it relates to motor vehicle safety.

Notice of receipt of the application was published on June 25, 1996, and an opportunity was afforded for comment (Vol. 61, No. 123 CFR 32896).

Background

Paragraph S4.3(a) of FMVSS No. 109 requires tires to be labeled with one size designation, except that equivalent inch and metric size designations may be used.

Michelin's description of noncompliance follows:

"During the period of the 25th week through the 45th week of 1995, the Ardmore, Oklahoma, plant of Uniroyal Goodrich Tire Manufacturing, a division of Michelin North America, Inc., produced tires with two size designations specified on one sidewall of the tire. Specifically, in the upper sidewall of the tire, in letters 0.44 inches high, the tire was correctly marked as a 205/70R15. The tire was incorrectly marked in the lower sidewall area, in letters 0.25 inches high, as a 205/75R15. This incorrect marking occurred on the side opposite the DOT tire identification number. The correct marking also appears in two places on the side that contains the DOT tire identification number. The markings specified by 49 CFR 571.109 S4.3(a) call for only one size designation. All performance requirements of FMVSS #109 are met or exceeded for these tires.

"Approximately 4,708 205/70R15 BF Goodrich Touring T/A SR4 tires were produced with the aforementioned information on one sidewall of the tire. Of this total, as many as 730 were shipped to the replacement market. The remaining tires have been isolated in [Michelin's] warehouses and will be brought into full compliance with the marking requirements of FMVSS No. 109 or scrapped."

Michelin supported its application for inconsequential noncompliance with the following:

"1. All tires have a paper label, showing the correct size, applied to the tire tread. Tires are generally 'pulled from the rack' based on the paper label. Thus information on the correct tire size for the application would be available.

"2. The tire size is incorrect, in one of four places, only with respect to the aspect ratio (or series), that is 75. Both the section width designation of 205 and the rim diameter code of 15 are correct. The correct maximum load and inflation pressure for the 205/70R15 is molded on both sides of the tire.

"3. The tire size is correctly stamped on both sides in letters 0.44 inch high. Thus attention should be more readily drawn to the correct tire size than to the incorrect size which is in much smaller letters.

"4. When these tires are mounted on the vehicle, the 'clean' side (i.e. the side

without the bar code lines) is mounted out. Thus when mounting these tires on a vehicle, the proper size designation is readily apparent in two places on the sidewall."

Michelin's initial argument did not support its application that the labeling noncompliance was inconsequential with respect to motor vehicle safety. The agency's concern regarding the mislabeling was what bearing the aspect ratio would have on the load-carrying capacity of the tire. In this case, the load

carrying capacity of the tire could be miscalculated by as much as 88 pounds (6%) because of the wrong aspect ratio being printed on the tire. Therefore, during the comment period, NHTSA sought further information from the petitioner on what consequences the alleged noncompliance would have on motor vehicle safety.

The petitioner responded with the following additional information:

- Tests conducted on the mislabeled tires at the higher loads specified for a

205/75R15 tire exceeded all FMVSS No. 109 performance requirements.

- In the unlikely event that the tire would be fitted to a vehicle as a replacement for a 205/75R15, the tire would be able to carry the additional load and exceed all FMVSS No. 109 resistance to bead unseating, strength, endurance, and high speed performance requirements.

A summary of the test results follows:

Test	Tire No.#	Result	Requirement	Comment
High Speed Performance	1	5.6 hours	5.0 hours	429 miles.
	2	5.7 hours	5.0 hours	437 miles.
Tire Endurance	1	56 hours	34 hours	2800 miles.
	2	56 hours	34 hours	
Tire Strength	1	5131 in-lbs	2600 in-lbs (min)	Result=min of 5 test values per tire.
	2	4862 in-lbs	2600 in-lbs (min)	
Resistance to Bead Unseating	1	2830 lbs	2500 lbs (min)	Result=min of 5 test values per tire.
	2	2900 lbs	2500 lbs (min)	

Michelin reported that all of the tires summarized in the above chart were tested in accordance with the procedures defined in 49 CFR § 571.109. Loading of the tires was based upon a maximum tire load of 1609 pounds for the 205/75R15 instead of the 1521 pound maximum load of the 205/70R15.

Comments

No comments were received on the application.

Discussion and Recommendation

In response to NHTSA's request, Michelin submitted additional test data in support of its inconsequentiality application. We believe these data more adequately support the application for labeling noncompliance since tests conducted on the mislabeled tires at the higher loads specified for a 205/75R15 tire exceeded all FMVSS No. 109 performance requirements.

Therefore, additional information provided by the petitioner, the petitioner's willingness to bring the remaining tires into full compliance (3,978) with the marking requirements of FMVSS No. 109, or scrap the remaining tires, satisfies our concern that motor vehicle safety will not be compromised.

Accordingly, for the reasons expressed above, the petitioner has met its burden of persuasion that the noncompliance herein described is inconsequential as it relates to motor vehicle safety, and the agency grants Michelin's application for exemption from notification of the noncompliance as required by 49 U.S.C. 30118 and from remedy as required by 49 U.S.C. 30120.

(49 U.S.C. 30118, 30120; delegation of authority at 49 CFR 501.8).

Issued on: September 16, 1996.

L. Robert Shelton,

Acting Associate Administrator for Safety Performance Standards.

[FR Doc. 96-24173 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-59-P

Research and Special Programs Administration

[Notice Number 96-17]

Draft Advisory Material for the IAEA Regulations for the Safe Transport of Radioactive Material

AGENCY: Research and Special Programs Administration (RSPA), DOT.

ACTION: Notice of document availability and request for comments.

SUMMARY: The final draft of the 1996 edition of the Advisory and Explanatory Material for the International Atomic Energy Agency's (IAEA) Regulations for the Safe Transport of Radioactive Material, Safety Series No. 7, is currently available for review and comment. RSPA will be providing comments on the draft document to the IAEA, and will consider input from the public and industry. This draft document supplements the 1996 edition of the IAEA Regulations for the Safe Transport of Radioactive Material, Safety Series No. 6, and includes the explanatory and advisory material which was previously found in two separate documents: Explanatory Material in Safety Series No. 7., and

Advisory Material in Safety Series No. 37.

DATES: Comments must be received by October 21, 1996.

ADDRESSES: Copies can be obtained from, and comments should be submitted to, the Dockets Unit (DHM-30), Room 8421, Research and Special Programs Administration, U.S. Department of Transportation, 400 Seventh St. SW., Washington, DC 20590-0001; (202) 366-5046; Monday-Friday from 8:00 a.m. to 4:30 p.m.

FOR FURTHER INFORMATION CONTACT:

Richard W. Boyle, Chief, Radioactive Materials Branch, Office of Hazardous Materials Technology, Research and Special Programs Administration, Department of Transportation, Washington, DC 20590-0001; (202) 366-4545.

SUPPLEMENTARY INFORMATION: On September 23, 1996, RSPA's Dockets Unit will return to Room 8421 of the Nassif Building, 400 Seventh St., SW., Washington, DC, 20590-0001, telephone (202) 366-5046. The draft Safety Series No. 7 will be available on and after that date. The public may view this document between the hours of 8:00 a.m. to 4:30 p.m., Monday-Friday.

Issued in Washington, DC on September 17, 1996 under the authority delegated in 49 CFR part 106.

Robert A. McGuire,

Deputy Associate Administrator for Hazardous Materials Safety.

[FR Doc. 96-24182 Filed 9-19-96; 8:45 am]

BILLING CODE 4910-60-M

Surface Transportation Board**[Finance Docket No. 32974]****Burlington Northern Santa Fe Corporation, BNSF Acquisition Corp., and Burlington Northern Railroad Company—Control—Washington Central Railroad Company, Inc.**

On September 4, 1996, the Surface Transportation Board's Section of Environmental Analysis (SEA) issued an environmental assessment in this proceeding and requested written comments regarding environmental concerns be submitted to the Board by September 24, 1996. SEA notifies all the parties that the comment period is extended 10 days. Comments must be received at the Board by October 4, 1996.

For further information, contact Dana White at (202) 927-6213 or Elaine Kaiser at (202) 927-6248, Section of Environmental Analysis, Room 3219, Office of Economics, Environmental Analysis, and Administration, Surface Transportation Board, 12th and Constitution Avenue, NW, Washington, DC 20423. TDD for the hearing impaired: (202) 927-5721.

By the Board, Elaine K. Kaiser, Chief, Section of Environmental Analysis.

Vernon A. Williams,

Secretary.

[FR Doc. 96-24280 Filed 9-19-96; 8:45 am]

BILLING CODE 4915-00-M

Surface Transportation Board¹**[STB Finance Docket No. 33050]****Dubois County Railroad Corporation and Indiana Railway Museum, Inc.—Corporate Family Transaction Exemption**

Dubois County Railroad Corporation (Dubois) and Indiana Railway Museum, Inc. (Indiana) have filed a joint notice of exemption to undertake a corporate family transaction. Under the Assignment of Purchase Rights agreement, Dubois, a wholly owned Class III line rail carrier, will assign the rights it acquires from Norfolk Southern Railway Company (NS)² to its parent

¹ The ICC Termination Act of 1995, Pub. L. 104-88, 109 Stat. 803, which was enacted on December 29, 1995, and took effect on January 1, 1996, abolished the Interstate Commerce Commission and transferred certain functions to the Surface Transportation Board (Board). This notice relates to functions that are subject to Board jurisdiction pursuant to 49 U.S.C. 11323.

² Dubois has concurrently filed a notice of exemption in *Dubois County Railroad Corporation—Acquisition and Operation Exemption—Norfolk Southern Railway Company,*

Indiana, a noncarrier. Dubois will continue to operate the line.³ Consummation is expected to occur after the August 30, 1996 effective date but no later than December 31, 1996.

This is a transaction within a corporate family of the type specifically exempted from prior review and approval under 49 CFR 1180.2(d)(3). The transaction will not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carrier operating outside applicant's corporate family. The purpose of the transaction is to enable Indiana to expand its historic preservation and educational mission while preserving rail service to shippers.

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III railroad carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33050, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1201 Constitution Avenue, N.W., Washington, DC 20423 and served on: Carl M. Miller, 618 Professional Park Drive, P. O. Box 332, New Haven, IN 46774-0332.

Decided: September 16, 1996.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 96-24138 Filed 9-19-96; 8:45 am]

BILLING CODE 4915-00-P

STB Finance Docket No. 33049, to acquire and operate 16.4 miles of rail line between milepost 46.9-EB at Huntingburg, IN, and milepost 63.3-EB at Dubois, IN.

³ Dubois states that it currently operates the rail line pursuant to a trackage rights agreement with NS that was the subject of a notice of exemption in Finance Docket No. 32323.

Surface Transportation Board¹**[STB Finance Docket No. 33049]****Dubois County Railroad Corporation—Acquisition and Operation Exemption—Norfolk Southern Railway Company**

Dubois County Railroad Corporation (Dubois), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41: (1) To acquire (by initial lease and subsequent purchase) and operate a total of approximately 16.4 miles of rail line owned by Norfolk Southern Railway Company (NS) between milepost 46.9-EB at Huntingburg, IN, and milepost 63.3-EB at Dubois, IN. Dubois will operate the line.² Consummation of the initial lease part of the transaction was expected to occur on or about August 30, 1996, and consummation of the subsequent purchase part of the transaction is expected to occur on or about December 31, 1996.

If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33049, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1201 Constitution Avenue, N.W., Washington, DC 20423 and served on: Carl M. Miller, 618 Professional Park Drive, P.O. Box 332, New Haven, IN 46774-0332.

Decided: September 16, 1996.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 96-24139 Filed 9-18-96; 8:45 am]

BILLING CODE 4915-00-P

¹ The ICC Termination Act of 1995, Pub. L. No. 104-88, 109 Stat. 803, which was enacted on December 29, 1995, and took effect on January 1, 1996, abolished the Interstate Commerce Commission and transferred certain functions to the Surface Transportation Board (Board). This notice relates to functions that are subject to Board jurisdiction pursuant to 49 U.S.C. 10902.

² Dubois and Indiana Railroad Museum (Indiana) have concurrently filed a notice of exemption in *Dubois County Railroad Corporation and Indiana Railway Museum, Inc.—Corporate Family Transaction Exemption*, STB Finance Docket No. 33050, wherein Dubois seeks to assign the subject acquisition rights to Indiana.

DEPARTMENT OF THE TREASURY**Bureau of Alcohol, Tobacco and Firearms****Proposed Collection; Comment Request**

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Application for Tax Paid Transfer and Registration of a Firearm.

DATES: Written comments should be received on or before November 19, 1996 to be assured of consideration.

ADDRESSES: Direct all written comments to Bureau of Alcohol, Tobacco and Firearms, Linda Barnes, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Dave Marshall, National Firearms Act Branch, 650 Massachusetts Avenue, NW., Washington, DC 20026, (202) 927-8330.

SUPPLEMENTARY INFORMATION:

Title: Application for Tax Paid Transfer and Registration of a Firearm.

OMB Number: 1512-0027.

Form Number: ATF F 4 (5320.4).

Abstract: ATF F 4 (5320.4) must be submitted to ATF to obtain approval for tax paid transfers of NFA firearms. Approval of a transfer and registration of a firearm to a new owner are accomplished with the information supplied on this document.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Individuals or households, business or other for-profit.

Estimated Number of Respondents: 7,853.

Estimated Time Per Respondent: 4.

Estimated Total Annual Burden Hours: 31,412.

REQUEST FOR COMMENTS: Comments submitted in response to this notice will

be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;

(b) the accuracy of the agency's estimate of the burden of the collection of information;

(c) ways to enhance the quality, utility, and clarity of the information to be collected; and

(d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Also, ATF requests information regarding any monetary expenses you may incur while completing this form.

Dated: September 13, 1996.

John W. Magaw,

Director.

[FR Doc. 96-24141 Filed 9-19-96; 8:45 am]

BILLING CODE 4810-31-P

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Applications, Notices, and Permits Relative to Importation and Exportation of Distilled Spirits, Wine, and Beer, Including Puerto Rico and Virgin Islands.

DATES: Written comments should be received on or before November 19, 1996 to be assured of consideration.

ADDRESSES: Direct all written comments to Bureau of Alcohol, Tobacco and Firearms, Linda Barnes, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8930.

FOR FURTHER INFORMATION CONTACT:

Requests for additional information or copies of the form(s) and instructions should be directed to Barry Fields, Wine, Beer and Spirits Regulations Branch, 650 Massachusetts Avenue,

NW., Washington, DC 20226, (202) 927-8522.

SUPPLEMENTARY INFORMATION:

Title: Applications, Notices, and Permits Relative to Importation and Exportation of Distilled Spirits, Wine, and Beer, Including Puerto Rico and Virgin Islands.

OMB Number: 1512-0530.

Abstract: Beverage alcohol, industrial alcohol, beer and wine are taxed when imported. The taxes on these commodities coming from the Virgin Islands and Puerto Rico are largely returned to these insular possessions. Exports are mainly tax free. These sections ensure that proper taxes are collected and returned according to law.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 20.

Estimated Time Per Respondent: 9 hours.

Estimated Total Annual Burden Hours: 180.

REQUEST FOR COMMENTS: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;

(b) the accuracy of the agency's estimate of the burden of the information;

(c) ways to enhance the quality, utility, and clarity of the information to be collected; and

(d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Also, ATF requests information regarding any monetary expenses you may incur while completing this information collection.

Dated: September 13, 1996.

John W. Magaw,

Director.

[FR Doc. 96-24161 Filed 9-19-96; 8:45 am]

BILLING CODE 4810-31-P

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Application for Tax-Exempt Transfer and Registration of a Firearm.

DATES: Written comments should be received on or before November 19, 1996 to be assured of consideration.

ADDRESSES: Direct all written comments to Bureau of Alcohol, Tobacco and Firearms, Linda Barnes, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Dave Marshall, National Firearms Act Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8330.

SUPPLEMENTARY INFORMATION:

Title: Application for Tax-Exempt Transfer and Registration of a Firearm.
OMB Number: 1512-0028.

Form Number: ATF F 5 (5320.5).

Abstract: The National Firearms Act requires that the information contained on this form be submitted to the Secretary for a tax exempt transfer of a NFA firearm. The form identifies current and prospective owners, and the firearm, as well as to ensure the legality of transfer under Federal, State and local law.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Individuals or households, business or other-for-profit, Federal Government, State, Local or Tribal Government.

Estimated Number of Respondents: 62,321.

Estimated Time Per Respondent: 4 hours.

Estimated Total Annual Burden Hours: 498,568.

REQUEST FOR COMMENTS: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of

information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Also, ATF requests information regarding any monetary expenses you may incur while completing this form.

Dated: September 13, 1996.

John W. Magaw,

Director.

[FR Doc. 96-24162 Filed 9-19-96; 8:45 am]

BILLING CODE 4810-31-P

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Stills, Notices, Registration, and Records.

DATES: Written comments should be received on or before November 19, 1996 to be assured of consideration.

ADDRESSES: Direct all written comments to Bureau of Alcohol, Tobacco and Firearms, Linda Barnes, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-7768.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Cliff Mullen, Wine, Beer and Spirits Regulations Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8181.

SUPPLEMENTARY INFORMATION:

Title: Stills, Notices, Registration, and Records.

OMB Number: 1512-0341.

Recordkeeping Requirement ID Number: ATF REC 5150/8.

Abstract: The information is used to account for and regulate the distillation of distilled spirits to protect the revenue and to provide for identification of distillers. The record retention requirement for this information collection is 3 years.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 10.

Estimated Time Per Respondent: 30 minutes.

Estimated Total Annual Burden Hours: 21.

REQUEST FOR COMMENTS: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Also, ATF requests information regarding any monetary expenses you may incur while completing this collection.

Dated: September 13, 1996.

John W. Magaw,

Director.

[FR Doc. 96-24163 Filed 9-19-96; 8:45 am]

BILLING CODE 4810-31-P

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of

Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Application for License, Collector of Curios and Relics.

DATES: Written comments should be received on or before November 19, 1996 to be assured of consideration.

ADDRESSES: Direct all written comments to Bureau of Alcohol, Tobacco and Firearms, Linda Barnes, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Janice Fields, Firearms and Explosives Operations Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8310.

SUPPLEMENTARY INFORMATION:

Title: Application for License, Collector of Curios and Relics.
OMB Number: 1512-0518.
Form Number: ATF F 7CR (5310.16).
Abstract: This form is used by the public when applying for a Federal firearms license to collect curios and relics in interstate and foreign commerce. The information requested on the form establishes eligibility for the license.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.
Affected Public: Individuals or households.

Estimated Number of Respondents: 6,000.

Estimated Time Per Respondent: 15 minutes.

Estimated Total Annual Burden Hours: 1,500.

REQUEST FOR COMMENTS: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Also, ATF requests information regarding any monetary expenses you may incur while completing this form.

Dated: September 13, 1996.

John W. Magaw,
Director.

[FR Doc. 96-24164 Filed 9-19-96; 8:45 am]
BILLING CODE 4810-31-P

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Application to Transport Interstate or Temporarily Export Certain National Firearms Act (NFA) Firearms.

DATES: Written comments should be received on or before November 19, 1996 to be assured of consideration.

ADDRESSES: Direct all written comments to Bureau of Alcohol, Tobacco and Firearms, Linda Barnes, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Dave Marshall, National Firearms Act Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8330.

SUPPLEMENTARY INFORMATION:

Title: Application to Transport Interstate or Temporarily Export Certain National Firearms Act (NFA) Firearms.
OMB Number: 1512-0022.

Form Number: ATF F 5320.20.

Abstract: ATF F 5320.20 is used to request permission to move certain NFA firearms in interstate or foreign commerce.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.
Affected Public: Individuals or households.

Estimated Number of Respondents: 800.

Estimated Time Per Respondent: 30 minutes.

Estimated Total Annual Burden Hours: 400.

REQUEST FOR COMMENTS: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Also, ATF requests information regarding any monetary expenses you may incur while completing this form.

Dated: September 13, 1996.

John W. Magaw,
Director.

[FR Doc. 96-24165 Filed 9-19-96; 8:45 am]
BILLING CODE 4810-31-P

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Application and Permit for Permanent Exportation of Firearms.

DATES: Written comments should be received on or before November 19, 1996 to be assured of consideration.

ADDRESSES: Direct all written comments to Bureau of Alcohol, Tobacco and Firearms, Linda Barnes, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions

should be directed to Dave Marshall, National Firearms Act Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927-8330.

SUPPLEMENTARY INFORMATION:

Title: Application and Permit for Permanent Exportation of Firearms.
OMB Number: 1512-0020.

Form Number: ATF F 9 (5320.9).

Abstract: ATF F 9 (5320.9) is required of any person desiring to export an NFA firearm without payment of transfer tax and to establish such exportation to relieve the exporter from payment of the transfer tax.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit, individuals or households.

Estimated Number of Respondents: 70.

Estimated Time Per Respondent: 18.

Estimated Total Annual Burden Hours: 1050.

REQUEST FOR COMMENTS: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Also, ATF requests information regarding any monetary expenses you may incur while completing this form.

Dated: September 13, 1996.

John W. Magaw,

Director.

[FR Doc. 96-24166 Filed 9-19-96; 8:45 am]

BILLING CODE 4810-31-P

Customs Service

Delayed Processing of Renewed Generalized System of Preferences Duty-Free Claims

AGENCY: Customs Service, Treasury.

ACTION: General notice.

SUMMARY: The Generalized System of Preferences (GSP) is a renewable preferential trade program that allows the eligible products of designated developing countries to directly enter the United States free of duty. The provisions of the GSP program expired at midnight on July 31, 1995; however, the provisions were recently renewed—beginning October 1, 1996, with retroactive effect to August 1, 1995—by the GSP Renewal Act of 1996 (the 1996 Act). This document provides notice to importers that claims for duty-free treatment under the GSP will be accepted for articles entered on or after October 1, 1996, and sets forth a duty refund procedure for merchandise entered between July 31, 1995, and September 30, 1996, that became eligible for GSP treatment under the retroactive provisions of the 1996 Act. This document also advises the public that certain designated products from Pakistan, for which the U.S. Trade Representative has recommended to the President that GSP eligibility be suspended, will not be entitled to duty-free treatment if entered, or withdrawn from warehouse, for consumption on or after July 1, 1996, notwithstanding the retroactive provisions of the 1996 Act.

DATES: The plan for delayed payment of refunds with interest set forth in this document will become effective as of October 1, 1996. Customs expects the processing of refunds to take from four to eight weeks for certain, formal Automated Broker Interface (ABI) entries.

FOR FURTHER INFORMATION CONTACT: For general operational questions:

Formal entries

Carol Argentine, 202-927-0021

Informal entries

Mike Craig, 202-927-0156

Mail entries

Dan Norman, 202-927-0542

Passenger claims

Robert Jacksta, 202-927-1311

For specific questions relating to the Automated Commercial Systems: Irv Fisher, Office of Information and Technology, 202-927-0241.

SUPPLEMENTARY INFORMATION:

Background

Section 501 of the Trade Act of 1974 (the 1974 Act), as amended (19 U.S.C. 2461), authorizes the President to establish a Generalized System of Preferences (GSP) to provide duty-free treatment for eligible articles imported directly from designated beneficiary countries for specific time periods. Sections 502(a) and 503(a) of the 1974 Act, as amended (19 U.S.C. 2462(a) and 2463(a)), authorize the President to

designate beneficiary developing countries and articles eligible for duty-free treatment under the GSP by Executive Order or Presidential Proclamation. Pursuant to section 504 of the 1974 Act, as amended (19 U.S.C. 2464), the President has authority, under certain circumstances, to withdraw, suspend, or limit the application of duty-free treatment under the GSP. Pursuant to 19 U.S.C. 2465(a), as amended by section 601 of the Uruguay Round Agreements Act, 19 U.S.C. 2465 note, Pub.L. 103-465, 108 Stat. 4990 (1994), duty-free treatment under the GSP program expired on July 31, 1995.

On August 20, 1996, the President signed the Small Business Job Protection Act of 1996 (Pub.L. 104-188, 110 Stat. 1755), Subtitle J of Title I of which contains provisions entitled the GSP Renewal Act of 1996 (the 1996 Act, 110 Stat. 1917). The 1996 Act provides that GSP duty-free treatment will apply to eligible articles from designated beneficiary countries that are entered, or withdrawn from warehouse, for consumption on or after October 1, 1996, through May 31, 1997, and also that GSP duty-free treatment will have certain retroactive applications to articles entered after July 31, 1995, and before October 1, 1996, as follows:

(1) Articles entered during the period August 1, 1995–December 31, 1995, are eligible for duty-free treatment if the articles would have been eligible for GSP treatment if entered on July 31, 1995; and

(2) Articles entered during the period January 1, 1996–September 30, 1996, are eligible for duty-free treatment if the articles would have been eligible for GSP treatment if entered after September 30, 1996.

Regarding the retroactive provisions, the 1996 Act further provides that, not before October 1, 1996, Customs shall liquidate or reliquidate entries made during the period August 1, 1995–September 30, 1996, and refund any duties collected with interest, provided that a request for liquidation or reliquidation is filed with Customs by February 16, 1997, i.e., within 180 days after the date of the 1996 Act's enactment, that contains sufficient information to enable Customs to locate the entry or to reconstruct the entry if it cannot be located.

Recognizing the impact that retroactive renewal and consequent numerous reliquidations will have on both importers and Customs, Customs has developed a mechanism to facilitate refunds that will be implemented on October 1, 1996.

Duty-Free Entry Summaries

Effective October 1, 1996, filers again will be entitled to file GSP eligible entry summaries without the payment of estimated duties. Up until that time, however, estimated duties at the most-favored-nation rate must be deposited, or a claim may be made under another preferential program for which the merchandise qualifies (for example, the Andean Trade Preference Act, the Caribbean Basin Initiative, or the U.S.-Israel Free Trade Area Agreement).

Refunds With Interest**A. Formal Entries**

Customs will liquidate or reliquidate all affected entry summaries and refund any duties deposited for items denominated on the GSP line. Field locations shall not issue GSP refunds except as instructed to do so by Customs Headquarters.

If an ABI entry summary was or will be filed with payment of estimated duties using the Special Program Indicator (SPI) for the GSP (the letter "A") as a prefix to the tariff number, no further action by the filer is required; filings with the SPI "A" will be treated as conforming requests for refunds.

Non-ABI filers who either did or did not request a refund by using the SPI "A" must request a refund in writing from the Port Director at the port of entry by February 16, 1997. The letter may cover either single entry summaries or all entry summaries filed by an individual filer at a single port. To expedite refunds, Customs recommends the following information be included in each letter:

1. A statement requesting a refund, as provided by section 1953 of the GSP Renewal Act of 1996;

2. An enumeration of the entry numbers and line items for which refunds are requested; and

3. The amount requested to be refunded for each line item and the total amount owed for all entry summaries.

Interest on duties deposited will be paid, pursuant to section 505 of the Tariff Act of 1930, as amended (19 U.S.C. 1505), based on the quarterly Internal Revenue Service interest rates used to calculate interest on refunds of Customs duties as follows:

	Per- cent
July 1, 1995–Mar. 31, 1996	8
Apr. 1, 1996–June 30, 1996	7
July 1, 1996–Dec. 31, 1996	8

B. Informal Entries

Refunds with interest on informal entries filed via ABI on a Customs Form

7501 with the SPI "A" will be processed in accordance with the procedures discussed above.

C. Mail Entries

The addressees must request a refund of GSP duties and return it, along with a copy of the CF 3419A, to the appropriate International Mail Branch (address listed on bottom right hand corner of CF 3419A). It is essential that a copy of the CF 3419A be included, as this will be the only means of identifying whether GSP products have been entered and estimated duties and fees have been paid.

D. Baggage Declarations and Non-ABI Informals

If travelers/importers wrote a statement directly on their Customs declarations (CF 6059B) or informal entries (CF 363 or CF 7501) requesting a refund, no further action by the traveler/importer will be required; the statement will be treated as a conforming request for refunds. Failure to request a refund in this manner does not preclude a traveler/importer from otherwise making a timely request in writing, as described above for non-ABI filers.

Retroactive Suspension of Certain GSP Benefits for Pakistan

As indicated earlier in this document, pursuant to 19 U.S.C. 2464, the President has authority, under certain circumstances, to withdraw, suspend, or limit the application of duty-free treatment under the GSP. In a Federal Register notice published June 17, 1996 (61 FR 30646), the Office of the United States Trade Representative (USTR) announced that it had recommended to the President the suspension of GSP eligibility for certain products from Pakistan, effective July 1, 1996. It is anticipated that on or about October 1, 1996, the President will exercise his authority under 19 U.S.C. 2464 and suspend GSP duty-free treatment for such products as recommended by the USTR. Accordingly, duties on the following list of products from Pakistan will not be refunded if the products were entered, or withdrawn from warehouse, for consumption on or after July 1, 1996:

HTSUS	Item (Terms below are for descriptive purposes only)
03926.20.30	Gloves designed for use in sports, of plastics.
4203.21.20	Batting gloves.
4203.21.55	Cross-country ski gloves, mittens and mitts.
4203.21.60	Ski or snowmobile gloves, mittens and mitts.

HTSUS	Item (Terms below are for descriptive purposes only)
4203.21.80	Gloves, mittens, etc., of leather, specially designed for use in sports.
5701.10.13	Carpets.
5702.10.10	Carpets.
5702.91.20	Carpets.
5805.00.20	Carpets.
6304.99.10	Carpets.
6304.99.40	Carpets.
9018.90.80	Surgical instruments.
9506.62.80	Inflatable balls, excluding footballs or soccer balls.
9506.91.00	Articles or equipment for exercise.

Dated: September 16, 1996.

John B. McGowan,

Acting Assistant Commissioner, Field Operations.

[FR Doc. 96-24119 Filed 9-19-96; 8:45 am]

BILLING CODE 4820-02-P

UNITED STATES INFORMATION AGENCY**U.S. Advisory Commission on Public Diplomacy Meeting**

AGENCY: United States Information Agency.

ACTION: Notice.

SUMMARY: The U.S. Advisory Commission on Public Diplomacy will meet in Room 600, 301 4th Street, S.W., on September 18, 1996 from 10:00 a.m. to 12:00 noon.

The meeting will be closed to the public from 10:00 a.m. to 12:00 noon because it will involve discussion of classified information relating to the USIS 2000 Satellite Network and the Department of State's Diplomatic Telecommunications Service (DTS-PO). (5 U.S.C. 552b(c)(1)).

Please call Betty Hayes, (202) 619-4468, for further information.

Dated: September 16, 1996.

Joseph Duffey,
Director.

Determination To Close a Portion of the U.S. Advisory Commission on Public Diplomacy's Meeting of September 18, 1996

Based on the information provided to the United States Information Agency by the United States Advisory Commission on Public Diplomacy, I hereby determine that the meeting scheduled by the Commission for September 18, 1996 may be closed to the public from 10:00 a.m. to 12:00 p.m.

The Commission has requested that its September 18 meeting be closed from 10:00 a.m. to 12:00 p.m., because it will

involve discussion of classified
information relating to the USIS 2000
Satellite Network and the Department of
State's Diplomatic Telecommunications
Service (DTS-PO). (5 U.S.C. 552b(c)(1))

Dated: September 16, 1996.

Joseph Duffey,

Director.

[FR Doc. 96-24120 Filed 9-19-96; 8:45 am]

BILLING CODE 8230-01-M

Corrections

Federal Register

Vol. 61, No. 184

Friday, September 20, 1996

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

DEPARTMENT OF DEFENSE

48 CFR Part 225

[DFARS Case 96-D309]

Defense Federal Acquisition Regulation Supplement; Pricing for Sales of Defense Articles

Correction

In rule document 96-10542 beginning on page 18987 in the issue of Tuesday, April 30, 1996, make the following correction:

225.7303-5 [Corrected]

On page 18988, in the first column, in section 225.7303-5(c), in the fifth line, remove "if the organization".

BILLING CODE 1505-01-D

DEPARTMENT OF DEFENSE

48 CFR Part 231

[DFARS Case 94 D316]

Defense Federal Acquisition Regulation Supplement; Restructuring Costs Under Defense Contracts

Correction

In rule document 96-9450 beginning on page 16881 in the issue of Thursday, April 18, 1996, make the following correction:

231.205-70 [Corrected]

On page 16881, in the third column, in section 231.205-70(b)(3), in the ninth line, "of" should read "or".

BILLING CODE 1505-01-D

DEPARTMENT OF DEFENSE

48 CFR Part 253

[DFARS Case 95-D039]

Defense Federal Acquisition Regulation Supplement; Small Disadvantaged Business Concerns

Correction

In rule document 96-10541 beginning on page 18686 in the issue of Monday, April 29, 1996, make the following correction:

253.204-70 [Corrected]

On page 18689, in the third column, in section 253.204-70(e)(3)(ii), in the seventh line, "In" should read "If".

BILLING CODE 1505-01-D

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP96-364-000]

Colorado Interstate Gas Company; Notice of Filing

Correction

In notice document 96-22980 beginning on page 47743 in the issue of Tuesday, September 10, 1996, the docket number should read as set forth in the heading.

BILLING CODE 1505-01-D

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of Public Health and Science

Office of Minority Health; Notice of Availability of Funds—Construction Grant for a National Center for Primary Care

Correction

In notice document 96-23552 beginning on page 48790 in the issue of Monday, September 16, 1996, make the following corrections:

1. On page 48790, in the first column, under **DATES:**, in the third and fourth lines, "(enter 45 days from date of publication)" should read "October 31, 1996".

2. On page 48791, in the third column, in the file line at the end of the document, "96-23252" should read "96-23552".

BILLING CODE 1505-01-D

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[AZ-055-1430-01; AZA 28642]

Public Land Order No. 7212; Withdrawal of Public Lands for the Gila River Cultural Area of Critical Environmental Concern; Arizona

Correction

In notice document 96-22582 appearing on page 46820 in the issue of Thursday, September 5, 1996, make the following correction:

On page 46820, in the first column, in the public land description, in Sec. 11, "N¼N¼" should read "N½N½".

BILLING CODE 1505-01-D

DEPARTMENT OF THE INTERIOR

National Park Service

Notice of Inventory Completion for Native American Human Remains and Associated Funerary Objects from Gambell, AK, in the Control of the Alaska State Office, Bureau of Land Management, Anchorage, AK

Correction

In notice document 96-22495 beginning on page 46663 in the issue of Wednesday, September 4, 1996 make the following correction:

On page 46664, in the first column, in the last paragraph, in the eleventh line, the date thirty days after publication should read "October 4, 1996".

BILLING CODE 1505-01-D

Estimated
Federal
Funds

Friday
September 20, 1996

Part II

Office of Management and Budget

Office of Federal Procurement Policy

**Cost Accounting Standards: Post-
Retirement Benefit Plans Other Than
Pension Plans Sponsored by Government
Contractors; Notice**

OFFICE OF MANAGEMENT AND BUDGET

Office of Federal Procurement Policy

Cost Accounting Standard Relating to the Treatment of Costs of Post-Retirement Benefit Plans Other Than Pension Plans Sponsored by Government Contractors

ACTION: Notice.

SUMMARY: The Office of Federal Procurement Policy, Cost Accounting Standards Board (CASB), invites public comments concerning a Staff Discussion Paper on the treatment of costs of post-retirement benefit plans other than pension plans sponsored by Government contractors.

DATES: Comments must be in writing and must be received by December 19, 1996.

ADDRESSES: Comments should be addressed to Eric Shipley, Project Director, Cost Accounting Standards Board, Office of Federal Procurement Policy, 725 17th Street, NW, Room 9001, Washington, D.C. 20503. Attn: CASB Docket No. 96-02.

FOR FURTHER INFORMATION CONTACT: Eric Shipley, Project Director, (telephone: 410-786-6381) or Rein Abel, Director of Research, Cost Accounting Standards Board (telephone: 202-395-3254).

SUPPLEMENTARY INFORMATION

A. Regulatory Process

The Cost Accounting Standards Board's rules, regulations and Standards are codified at 48 CFR Chapter 99. Section 26(g)(1) of the Office of Federal Procurement Policy Act, 41 U.S.C. 422(g), requires that the Board, prior to the establishment of any new or revised Cost Accounting Standard, complete a prescribed rulemaking process. The process generally consists of the following four steps:

1. Consult with interested persons concerning the advantages, disadvantages and improvements anticipated in the pricing and administration of Government contracts as a result of the adoption of a proposed Standard.
2. Promulgate an Advance Notice of Proposed Rulemaking.
3. Promulgate a Notice of Proposed Rulemaking.
4. Promulgate a Final Rule.

This proposal is step one of the four-step process.

B. Background and Summary

The Office of Federal Procurement Policy, Cost Accounting Standards Board, is releasing a Staff Discussion

Paper on the treatment of the costs of post-retirement benefit plans other than pension plans under Government contracts. Section 26(g)(1) of the Office of Procurement Policy Act, 41 U.S.C. 422(g)(1), requires that the Board, prior to the promulgation of any new or revised Cost Accounting Standard, consult with interested persons concerning the advantages, disadvantages, and improvements anticipated in the pricing and administration of Government contracts as a result of the adoption of a proposed Standard. The purpose of the Staff Discussion Paper is to solicit public views with respect to the Board's consideration of the treatment of the costs of post-retirement benefit plans other than pension plans. This Staff Discussion Paper identifies 10 major topics, but respondents are welcome to identify and comment on any other issues they feel are important. This Staff Discussion Paper reflects research accomplished to date by the staff of the Cost Accounting Standards Board in the respective subject area, and is issued by the Board in accordance with the requirements of 41 U.S.C. 422(g)(1)(A).

The Cost Accounting Standards Board has received numerous public comments recommending that it establish a case concerning the measurement, allocation and period assignment of the costs of post-retirement benefit plans other than pension plans. These letters have come from Federal Government agencies, Government contractors, law firms, trade associations and other respondents. The Board has recognized the need to establish a case addressing post-retirement benefit issues. Accordingly, this Staff Discussion Paper was developed to identify the cost accounting issues related to post-retirement benefit plans.

Post-retirement benefit plans have existed for many years, sometimes as an adjunct to a company's pension plan, but they generally received little attention until 1979 when the Financial Accounting Standards Board (FASB) decided to examine the potential liabilities and costs of these plans. After seeking public comments through an exposure draft and a field test of a proposed standard, the FASB issued Statement No. 106 (SFAS 106) in December of 1990.

SFAS 106 exposed the substantial unfunded liabilities associated with post-retirement benefit plans. The costs and liabilities of post-retirement benefit plans often equal or exceed those of a company's pension plan. Over the last two decades, the growth rate of these costs and liabilities has exceeded

general economic growth. During this same time period, some companies have looked for ways to either lower or control their post-retirement benefit liabilities by eliminating, curtailing, or otherwise limiting the benefit promise made to retirees. Companies have also been searching for tax-advantaged means of funding these liabilities. The efforts to limit, control, and fund post-retirement benefit liabilities continue to evolve, but few standard practices or solutions have yet emerged.

This Staff Discussion Paper identifies the following ten (10) major topics that the CASB staff believes should be considered in order for the Board to proceed with its rule-making process in this area. These topics as they relate to post-retirement benefit costs are:

A. Applicability of generally accepted accounting principles and existing Cost Accounting Standards.

B. Choice of accounting method or methods for measurement and period assignment.

C. Validity of the liability as a prerequisite for accrual accounting.

D. Choice of actuarial cost methods to measure and assign costs to periods for accrual accounting purposes.

E. Assignment of unfunded actuarial liabilities to accounting periods for accrual accounting purposes.

F. Actuarial considerations if accrual accounting is used.

G. The need, if any, to substantiate accruals by funding.

H. Cost determination for segments.

I. Accounting for plan terminations, liability settlements, and benefit curtailments.

J. Adjustments for segment closings.

The balance of the Staff Discussion Paper comprises short discussions of each topic highlighted above. The CASB staff is requesting comments and information regarding these 10 major topics. The staff also invites comments and information on any other post-retirement benefit issues which respondents believe should be considered. The staff continues to be especially appreciative of comments and suggestions that attempt to consider the concerns of all parties to the contracting process.

C. Public Comments

Interested persons are invited to participate by submitting data, views or arguments with respect to this Staff Discussion Paper. All comments must be in writing and submitted to the

address indicated in the **ADDRESSES** section.

Richard C. Loeb,
*Executive Secretary, Cost Accounting
Standards Board.*

Accounting for the Cost of Post-Retirement Benefit Plans Other Than Pension Plans Sponsored by Government Contractors

This staff discussion paper represents the results of research performed by the staff of the Cost Accounting Standards Board, and is issued by the Board in accordance with the requirements of 41 U.S.C. 422(g)(1)(A). The statements contained herein do not necessarily represent the position of the Cost Accounting Standards Board.

In response to the Cost Accounting Standards Board's continuing research, the Board has received a number of comments recommending that a case concerning the costs of post-retirement benefit plans other than pension plans under Government contracts be established. These letters have come from Federal Government agencies, Government contractors, law firms, trade associations and other respondents. In addition, a recent General Accounting Office report, *Cost Accounting Standards Board—Little Progress Made in Resolving Important Issues* (GAO/AIMD-94-88), also commented on the need for a Standard in this area. The Board has recognized the need to establish a case addressing post-retirement benefit issues, but because of the similarities between post-retirement benefits and more traditional pension plans, it was decided to defer commencement of this case until the pension case was completed.

The pension case was completed when the amendments to Cost Accounting Standards 9904.412 and 9904.413 were published as a final rule on March 30, 1995, 61 FR 16534. At its February 24, 1995 meeting, the CAS Board directed the staff to begin preliminary work on a Staff Discussion Paper addressing the accounting treatment of costs of post-retirement benefit plans.

Background

Post-retirement benefit plans have existed for many years, sometimes as an adjunct to a company's pension plan, but generally they received little attention until 1979 when the Financial Accounting Standards Board (FASB) decided to examine the potential liabilities and costs of these plans. After seeking public comments on a proposed financial accounting standard through an exposure draft issued on February 14, 1989 and after an examination of the

practical implications of the proposed standard through a study performed by Coopers and Lybrand, the FASB issued Statement No. 106 (SFAS 106) in December of 1990.

Companies adopting SFAS 106 have disclosed substantial unfunded estimated liabilities associated with post-retirement benefit plans. The costs and liabilities of post-retirement benefit plans often not only equal or exceed those of a company's pension plan, but the growth rate of the liability for some post-retirement benefits exceeds that of general economic growth. Furthermore, the volatility of some of the rates and trends, coupled with the informality of many post-retirement benefit plans, mean there is a great degree of uncertainty in the estimates of the liabilities, especially the liability for retiree health care benefits.

During the 1980s and early 1990s, some companies looked for ways to either lower or control their post-retirement benefit liabilities by eliminating, curtailing, or otherwise limiting the formal and informal post-retirement benefit arrangements made with employees and retirees. Companies have also been searching for tax-advantaged means of funding these liabilities. The efforts to limit, control, and fund post-retirement benefit liabilities continue to evolve, but few standard practices or solutions have yet emerged.

When the CAS Board undertook to write Standards for pension costs, a relatively mature body of standards and practice had already evolved. Pension plans had been around since the early 20th century and had exploded in prominence during World War II when pension benefits were granted in lieu of salary increases, which had been frozen as a part of the war effort. The American Institute of Certified Public Accountants began examining post-retirement benefits with Accounting Research Bulletin Number 47 (ARB 47) in 1956. ARB 47 was superseded by Opinion Number 8 of the Accounting Principles Board (APB 8) in 1966. APB 8 addressed pension benefits and permitted a variety of accepted practices. Meanwhile, the economic and political environment of the 1960s and 1970s led to the enactment of tax incentives to encourage the establishment and funding of pension plans. In 1974, the Employee Retirement Income Security Act (ERISA) was passed to protect pension plan participants against abuses that had developed, to enhance controls on tax-deductible contributions, and to establish a benefit guarantee buttressed by minimum funding requirements.

In 1985, the FASB issued Statements 87 and 88 (SFAS 87 and SFAS 88) which replaced APB 8 with a more rigorous and standardized measurement of pension costs and liabilities intended to achieve fuller disclosure and better comparability of pension costs in financial statements. SFAS 87 and 88 were able to build upon the accrual accounting concepts of APB 8.

To complete the effort begun with ARB 47, the FASB then used concepts and principles from SFAS 87 and 88, where appropriate, to develop SFAS 106, *"Employers' Accounting for Postretirement Benefits other than Pensions"*. SFAS 106 addresses non-pension post-retirement benefits and is intended to achieve fuller disclosure and better comparability of post-retirement benefit costs in financial statements. However, post-retirement benefits are often granted to an employee as an entitlement to a service, or reimbursement of the expenses of a service, so that the amount of benefit may not be determinable at retirement by either a formula or an account balance. Sometimes the promise is open-ended. Furthermore, the actual amount of benefits paid to or for an individual often depends upon that individual's morbidity after retirement rather than their service or salary during their years of employment. So, despite the similarities with pensions, the entitlement nature of many post-retirement benefits makes them very distinct from pension and other deferred compensation benefits.

Post-Retirement Benefits Defined

SFAS 106 defines a post-retirement benefit as any benefit, other than retirement income, that is deferred until after retirement and promised by an employer in exchange for current service. For SFAS 106 purposes, the post-retirement benefit promise arises from the written documents and established practices that comprise the "substantive plan". The most common forms of post-retirement benefits are retiree health care insurance¹ and retiree life insurance. Examples of other forms of post-retirement benefits are retiree discounts, legal services, adult day care, housing subsidies, and tuition assistance.

Like pensions, post-retirement benefits are paid to or on behalf of the employee after retirement. Post-retirement benefits also have attributes of employee insurance; e.g.,

¹ For purposes of this Staff Discussion Paper, the phrase "retiree health care insurance" can include hospitalization, medical, dental, vision, and prescription drug benefits, as well as Medicare Part B premiums.

hospitalization, medical, dental, prescription drug, and death benefits, and deferred compensation, adult day care allowances, housing subsidies, legal services, and tuition assistance.² It is important to bear in mind that post-retirement benefits share the attributes, issues, and problems of employee insurance and deferred compensation as well as pensions.

Actuaries practicing in the field of post-retirement benefits indicate that about 80% of the liabilities are for health care benefits; i.e., medical, hospitalization, dental, vision, and prescription benefits, and about 19% are for life insurance. All other forms of post-retirement benefits only account for about 1% or 2% of the liability.

Accounting for Post-Retirement Benefits Under SFAS 106 and Related Standards

SFAS 106 generally requires that the estimated liability for post-retirement benefits be recognized on an accrual basis during the years of service prior to the date an employee is first eligible for benefits. The unit credit actuarial cost method is used to assign the estimated liability³ to these years of employment as an annual expense. The portion of the liability assigned to periods prior to the initial date of adoption of SFAS 106 is called the "Transition Obligation". The "Transition Obligation" may be fully recognized in the period in which SFAS 106 is first adopted or may be amortized over the employees' average remaining years of service, but not more than 20 years. Increases in the estimated liability due to plan amendments are always amortized over the employees' average remaining years of service. On the other hand, decreases in the estimated liability due to plan amendments are offset against any existing unrecognized prior service liability before being amortized. Experience gains and losses; i.e., the deviation of actual asset and liability values from amounts that were actuarially predicted as well as changes in the liability due to assumption changes, are recognized immediately. Only that portion of the gain or loss amount falling outside of a defined corridor is amortized over the employees' average remaining years of service.

In addition to the FASB's actions, the Governmental Accounting Standards Board (GASB), which establishes accounting principles for State and local governments, and the National Association of Insurance Commissioners (NAIC), which sets forth statutory accounting principles for insurance companies, have recently issued accounting standards for post-retirement benefit costs. Generally these standards follow the concepts of SFAS 106, but with some important exceptions. Statement 12 of the Government Accounting Standards Board (GASBS 12) requires that costs of advanced-funded post-retirement benefit plans be actuarially determined, but unlike SFAS 106, does not limit the choice of actuarial cost method. On the other hand, for purposes of statutory accounting by insurance companies, the measure of estimated liability only considers current retirees and those active employees who are currently vested or eligible for benefits. The annual service cost for statutory accounting only considers retirees, active employees eligible for benefits, and active employees who are or who may become vested during the year.

These are relatively recent promulgations. The recognition of post-retirement benefit plan costs does not have the framework, consistency of operational practice, nor history of funding that existed for pension plan costs when the CAS Board embarked on the pension project. Some believe that the budget deficits of the 1990s will preclude the creation of tax incentives to encourage the establishment and funding of post-retirement benefit plans. State and Federal legislators and policy makers are looking for ways to reduce or control the growth of retiree health care costs, including Medicare, through cost containment, managed care, and program re-design. The future of retiree health care costs, the largest and fastest growing category of post-retirement benefit cost, is uncertain.

The Need To Address Post-Retirement Benefit Accounting Issues

First, most Government contractors have now become subject to SFAS 106 and are disclosing for financial reporting purposes large estimated liabilities for post-retirement benefits, similar in magnitude to those of pension liabilities. Second, the procuring agencies and contractors are already struggling with the sometimes conflicting goals of consistency between periods, uniformity between contractors, and the substantiation of costs.

Finally, as some companies leave Government contracting as the defense industry downsizes, there is a question of the Government's responsibility for the large unfunded estimated liability for post-retirement benefits earned by workers with a long history of service under prior Government contracts. These three factors convinced the Board that issues pertaining to cost accounting, i.e., measurement, allocation and period assignment, for post-retirement benefits should be explored and addressed.

Therefore, through the issues raised in this Staff Discussion Paper, the Board is seeking information and comments regarding two central themes:

(1) On what basis should the Government determine; that is, measure, assign, and allocate, post-retirement benefit plan costs to be included in the prices of negotiated Federal contracts?

(2) To what degree, if any, should Government contract cost accounting of post-retirement benefit plan costs differ from generally accepted accounting principles?

An additional general issue will be whether any resolution of these issues should be addressed through an Interpretation, an amendment to existing Standard(s), or, through a new Cost Accounting Standard. The staff is aware that both procuring agency and contractor representatives have urged caution to avoid adding any unnecessary accounting requirements to an intrinsically complex and technical subject.

Preliminary Research

In developing this Staff Discussion Paper, the staff has solicited preliminary comments from certain interested and knowledgeable organizations and individuals from both the procuring agencies and contractor communities. The staff also sought comments from organizations and individuals from the accounting, actuarial, and legal professions. They were asked for assistance in identifying existing guidance and operational practices which should be explored. The staff would like to thank all the organizations and individuals who responded to the preliminary request for information. Their input and comments were very important in preparing this Staff Discussion Paper, which is the first step towards the possible promulgation of an Interpretation, an amendment to existing Standard(s), or a new Standard.

Issues concerning financial and Government contract cost accounting for post-retirement benefits are topics which have been treated in some detail

² This Staff Discussion Paper addresses the accounting, that is, the measurement, assignment to periods, and allocation to cost objectives, of post-retirement benefit costs. This paper does not address the allowability of the costs for a particular category of post-retirement benefits.

³ The SFAS 87 and 106 references to period attribution are analogous to the concept of period assignment as used in the Cost Accounting Standards.

in accounting and actuarial literature.⁴ The interplay between accountants and actuaries, which has produced issues that may affect cost accounting for post-retirement benefits, has also been discussed in accounting and actuarial literature.⁵ To the extent that these articles have aided with the drafting of this paper, the staff would like to thank the authors.

Post-Retirement Benefit Issues

This Staff Discussion Paper identifies ten (10) major topics for consideration by the Board during its deliberations of any Interpretations, amendments to existing Standards, or a new Standard. Respondents are encouraged to identify other topics that they believe the Board should consider. The topics as identified in this Staff Discussion Paper are:

A. Applicability of generally accepted accounting principles and existing Cost Accounting Standards.

B. Choice of accounting method or methods for measurement and period assignment.

C. Validity of the liability as a prerequisite for accrual accounting.

D. Choice of actuarial cost methods to measure and assign costs to periods for accrual accounting purposes.

E. Assignment of unfunded actuarial liabilities to accounting periods for accrual accounting purposes.

F. Actuarial considerations if accrual accounting is used.

G. The need, if any, to substantiate accruals by funding.

H. Cost determination for segments.

I. Accounting for plan terminations, liability settlements, and benefit curtailments.

J. Adjustments for segment closings.

The balance of the Staff Discussion Paper comprises short discussions of each topic. Following the discussion of each topic, specific issues are identified. The staff is requesting comments and information regarding these issues. When responding to these issues, the staff would appreciate explanations of the reasoning that supports each comment. Where subparts of the issues are presented, the respondents are asked to address the main issue as well as

each of the subparts. The staff invites comments and information on any other post-retirement benefit issues that respondents believe should be considered.

In writing this Staff Discussion Paper, the staff attempted to avoid any preconceptions or conclusions about the proper accounting treatment of post-retirement benefit plans for Government contract costing purposes. In particular, the staff has not presumed that either SFAS 106 or CAS 9904.412 should be the starting point.⁶ In fact, one of the difficulties in addressing Government contract cost accounting for post-retirement benefits is that post-retirement benefits share attributes with pension, insurance, and deferred compensation plans. During its consideration, the Board may find that different types of post-retirement benefits may require different accounting treatments.

The CASB staff presumes that the readers of this Staff Discussion Paper are familiar with the provisions of CAS 9904.412, 9904.413, 9904.415, and 9904.416, as well as the Federal Acquisition Regulation (FAR) provisions regarding the award and administration of CAS-covered contracts. In addition, a familiarity with the FAR cost principles, in particular, FAR 31.205-6(o), is presumed.

In undertaking this project the Board is not constrained by nor confronted with conflicts in outside standards and practices as it was in the recent pension case. In this instance, except for the recent promulgations of the FASB, GASB, and the NAIC, there is a paucity of established common practice and efficient funding mechanisms, other than the use of pay-as-you-go financing, limited use of Voluntary Employee Benefit Association (VEBA) trusts, and some creative insurance products.

Topic A. Applicability of Generally Accepted Accounting Principles and Existing Cost Accounting Standards.

It is unclear whether post-retirement benefits are, or should be, covered by any of the existing Cost Accounting Standards. Before taking any action to interpret, amend, or expand the Standards for post-retirement benefit costs, the Board would have to determine that adequate guidance is not provided by generally accepted accounting principles for the

measurement and assignment to periods and by existing Standards for allocation to intermediate and final cost objectives for Government contract cost accounting purposes. One possibility is for the Board to adopt or specify SFAS 106 as the accounting standard for post-retirement benefit costs. Or, the Board could adopt SFAS 106 but limit or modify any provisions or accounting treatments that may be inappropriate or inadequate for cost accounting.

Although the primary benefits provided through post-retirement benefit plans are retiree health care and life insurance benefits, the FASB developed SFAS 106 on post-retirement benefits using the concepts and techniques of SFAS 87 and 88 on pensions. Thus, since one of the concepts adopted by the Board is to follow generally accepted accounting principles wherever practicable, CAS 9904.412 and 9904.413 would seem to be the analogous Cost Accounting Standards to serve as the starting point for post-retirement benefit plans. However, the only specific reference to retiree insurance is found at CAS 9904.416-50(a)(1)(v). At first, many in the procurement community expressed a belief that post-retirement benefits were another form of pension benefits and were therefore subject to CAS 9904.412 and 9904.413. In response to an inquiry from the Financial Executives Institute, the Administrator of the Office of Federal Procurement Policy (OFPP) and Chairman of the CASB, stated: "[E]xisting CAS pension or insurance coverage does not appear to offer a basis for treating PRB costs. In fact, the post-retirement benefit nomenclature barely existed at the time of the earlier Board."⁷ However, this statement represents guidance from the Administrator of OFPP and is not an official interpretation by the Board.

The confusion increased as some individuals in the accounting profession expressed a belief that the CAS Board intentionally included post-retirement health care benefits in the pre-March 30, 1995 version of CAS 9904.412-50(a)(9) which stated: "If a pension plan is supplemented by a separately-funded plan which provides retirement benefits to all of the participants in the basic plan, the two plans will be considered as a single plan for the purpose of this Standard." Others believe this clause was added to address the total pension benefit provided through the combination of a defined-benefit with a

⁴ For example, the article "Post-Retirement Benefits: Accounting for and Recovering the Cost of Health Care for Retirees" (Public Contract Law Journal, Vol. 24, No. 3, Spring 1995), written by Brian Mizoguchi, gives an excellent overview of the subject and associated cost accounting issues.

⁵ For a discussion of the tension between the accounting and the actuarial professions concerning responsibility for the measurement of Post-retirement benefit liabilities, see "Impact of the Actuarial Profession on Financial Reporting" (Accounting Horizons, Vol. 9, No. 3, September 1995) by Timothy J. Fogarty and Julia Grant.

⁶ This paper addresses many issues similar to those considered in the March 30, 1995 amendments to CAS 9904.412 and 9904.413. The fact that issues are raised in this Staff Discussion Paper on post-retirement benefit costs does not imply changes will be made to the pension Standards.

⁷ Letter dated November 25, 1991 from Dr. Allan V. Burman to Messrs. Fuqua and Hogg of the Aerospace Industries Association and the National Security Industrial Association, respectively.

defined-contribution plan, which were commonly referred to as "floor-offset plans", or the combination of an "excess benefit" nonqualified plan with a qualified plan. Such combinations were specifically being addressed by ERISA. There is no evidence that post-retirement health care benefits were a consideration in the mid-1970s when CAS 9904.412 and 9904.413 were originally promulgated. However, this language does raise the question of whether separate accounts within a qualified pension trust established for Internal Revenue Code (IRC) § 401(h) health care benefits should be considered as providing an ancillary benefit that is an integral part of a pension plan that covers the same population.

The first set of issues concerns how the case should evolve. Should Government contract cost accounting for post-retirement benefit plans be addressed through SFAS 106, a CASB Interpretation, an amendment(s) to an existing Standard(s), or by a new separate Standard? At a minimum, any consideration of amendments or additions to the Standards would seem to require a review of the CAS 9904.416 provisions regarding funded reserves for retirees.

CAS 9904.416 generally does not distinguish between various types of insurance. However, there have been suggestions that employee benefit coverages; that is, life, health care, and disability insurance, should be separated from property, casualty, liability, and workers compensation insurance.⁸ Such separation is reflected in the recent revisions to the CASB Disclosure Statement, DS-1. It may be appropriate for the Board to consider whether 9904.416 is too broad because it attempts to combine two similar, but unrelated, types of insurance. The life and health insurance industry, through which most employee benefits are provided, is governed by a separate set of state laws and is represented by a separate industry association and actuarial society from those of the property and casualty insurance industry. But, because dividing 9904.416 into two Standards could expand the scope of the instant case on post-retirement benefits, it may be more feasible to address only the provisions of CAS 9904.416 relating to post-retirement benefits now and to identify the full review of CAS 9904.416 as a potential subject of a future CASB case.

Issue 1: Does GAAP provide adequate guidance for the measurement and period assignment of post-retirement benefits? Explain why or why not and discuss the pros and cons.⁹

a. Does SFAS 106 provide sufficient guidance on the measurement and period assignment of post-retirement benefit costs for Federal contract costing purposes?

b. Identify any provisions of SFAS 106 that may be adequate or inadequate for the measurement and assignment to periods of Government contract costs. Discuss in detail the modifications or limitations that may be necessary.

c. Are there other financial accounting standards; e.g., GASBS 12 or statutory accounting principles, that would provide more appropriate guidance on the measurement and period assignment of post-retirement benefit costs for Federal contract costing purposes?

d. If GAAP is used for measurement and period assignment of post-retirement benefits costs, do existing Cost Accounting Standards provide sufficient guidance on the allocation of such costs to Federal contracts?

Issue 2: Should the Board issue an Interpretation specifying which elements of post-retirement benefit costs are addressed by existing CAS 9904.412 and 9904.413 relating to pension plans, CAS 9904.415 relating to deferred compensation plans, and CAS 9904.416 relating to insurance?

Issue 3: Should the Board establish specific accounting provisions for the various elements of post-retirement benefit costs by appropriately amending some or all of the four Standards that address employee benefits, i.e., CAS 9904.412, 9904.413, 9904.415, and 9904.416?

Issue 4: Should the Board address post-retirement benefits through a new, separate Standard?

a. To what extent should a new Standard draw on language already found in CAS 9904.412, 9904.413, 9904.415, and 9904.416 to achieve consistency with the concepts, definitions, and accounting provisions of these four Standards?

b. To what extent do the issues unique to post-retirement benefits require a different accounting treatment?

Issue 5: As part of this case, should the Board amend CAS 9904.416 to reflect the differences between life and health insurance and property and casualty insurance?

Topic B. Choice of Accounting Method or Methods for Measurement and Period Assignment

The CASB pension Standards and insurance Standard permit costs to be assigned to cost accounting periods by use of any one of three methods; cash accounting, terminal funding, or accrual accounting. The less technically challenging CAS 9904.415 bases the cost of annual deferred compensation awards on a single method; i.e., the present value of the contractor's obligation for the award earned by that year's service. Because of its focus on comparability between financial statements, SFAS 106 mandates the use of accrual accounting based on a specific actuarial cost method.

A primary consideration will be whether post-retirement benefits should be accounted for using a single accounting method or if, and when, alternative accounting methods would be appropriate. Any decision in this area must find a balance between three different goals; consistency in cost assignment between cost accounting periods, greater uniformity among contractors in measuring their program costs, and matching of cost to appropriate benefitting activities.

(i) Single versus multiple accounting methods

As with pensions, post-retirement benefit costs could extend over a significant number of years, contracts, and programs. From this perspective, predictability that is based on consistency of cost assignment between cost accounting periods is desirable for forward-pricing and program budgeting purposes. With possible reductions in government contracting due to Federal budget restraint and the reduction in the number of contractors due to mergers and acquisitions, the importance of a level playing field for competitive pricing through more uniformity in cost data determination among contractors has become even more pronounced. Furthermore, because so many contracts and programs are affected over the extended period of time during which post-retirement benefits are earned, the proper matching of costs to their benefitting activities is necessary for inter-program consistency.

Several contractor representatives have noted that cash accounting would satisfy the Government's primary desire for funding. With cash accounting there is little question about the verifiability of the cost, but cost recognition is deferred until the latest possible moment. In most instances, the principle of matching cost with the

⁸ Worker's compensation is a form of liability insurance that covers a contractor's legal responsibility for injury for which it is culpable.

⁹ Throughout this Staff Discussion Paper, the staff requests that respondents explain the reasoning for their conclusions.

benefitting activities is clearly violated. Because a single cash payment in the current period represents both liability liquidation and cost recognition, there are no expenses for obtaining actuarial valuations and most other administrative expenses are minimal. However, the cost incurrence will be completely disconnected from the benefitting activity because of this delay. Cash accounting is most appropriate for obligations whose future payment is questionable or which are difficult to estimate or quantify within reasonable limits.

With cash accounting there is a concern with the possible recognition of the Government's share of any future estimated liability not covered by current contract pricing. Many believe that *Remington Arms*¹⁰ suggests that the Government has a responsibility for any unfunded post-retirement benefit liability in certain special contractual relationships, such as a Government-owned contractor operated (GOCO) facility. Some argue that in such cases the Government may have encouraged the use of cash accounting in the past because it benefitted from the resulting lower contract costs. If cash accounting is permitted or mandated for Government contract costing purposes, this issue may have to be addressed as part of any guidance on the final settlement of contract costs if the contracting relationship ends. This issue is discussed in more detail under Topic J.

Terminal funding is an improvement over cash accounting in that cost recognition occurs somewhat closer to the incurrence of the cost. But, under terminal funding the pattern of cost assignment is very dependent upon the plan demographics and can produce very inconsistent results from period to period, even for plans with large populations. Moreover, terminal funding can be viewed as simply a subset of cash accounting in which the cash outlays occur in lump sums at retirement, rather than as periodic payments over the participants' retirement years. Terminal funding generally shares the advantages and disadvantages of cash accounting. However, the market for terminal funding in the area of retiree health care benefits is virtually non-existent. To improve consistency between periods, many contractor and Government agency representatives believe that terminal funding, if used to account for post-retirement benefit costs, should be subject to an amortization requirement

similar to the one at CAS 9904.416-50(a)(1)(v)(C).

Accrual accounting provides the best matching of costs to benefitting contracts and programs. Accrual accounting, properly implemented, also enhances consistency between contract periods, and thereby enhances predictability for forward-pricing purposes. However, accrual accounting is only appropriate when the obligation is valid; that is, reasonably expected to occur and can be reasonably estimated.¹¹ Accrual accounting for post-retirement benefits would be based on expectations of long-delayed events and on actuarial estimates of obligations that may not be fully liquidated for years, if at all. And, there are significant administrative expenses associated with these actuarial estimates and the necessary record keeping.

On the other hand, as the retiree proportion of post-retirement benefit plans grows with the aging of the workforce and contractor downsizing, pay-as-you-go (cash accounting) costs will sooner or later exceed the accruals. Thus, from the perspective of a program manager, the costs of post-retirement benefit plans might be more manageable in the long run if accrual accounting is adopted now instead of facing escalating pay-as-you-go costs in later years when many expect procurement budget pressures to further increase.

Very different results are produced by accrual accounting, cash accounting, and terminal funding, making it difficult to compare cost or price proposals from competing contractors if several methods are permitted for Government contract costing purposes. Besides the differences in cost for the current period, one contractor may realize lower costs from having adopted fully-funded accrual accounting earlier while another contractor may achieve lower costs by avoiding current accruals in favor of deferred cash payments. In such instances, there would be little uniformity in the cost recognition patterns over time.

Contractor representatives who have shared information on how their individual companies treat post-retirement benefits, indicate that current contractor practices range from fully-funded accrual recognition to traditional cash accounting. They note that terminal funding is sometimes used for life insurance, but seldom or never for retiree health care benefits. A contractor's choice of accounting method is currently determined by many factors; such as, size of its

Government business base, type(s) of benefit, industry practice, availability of tax-advantaged funding, and the type of covered employee population; e.g., union or non-union, production or management.

Issue 6: Should cash accounting be permitted for post-retirement benefit costs of Government contractors?

a. If so, should cash accounting be mandatory if the post-retirement benefit plan is unfunded?

b. Should cash accounting be mandatory if the post-retirement benefit liability is not reasonably predictable?

Issue 7: Should terminal funding be permitted for post-retirement benefit costs of Government contractors?

a. If so, should cost recognition be based on the terminal funding payment made during the period?

b. Are there circumstances when the terminal funding payment should be subject to amortization for cost recognition purposes?

c. Should the terminal funding payment always be subject to amortization for cost recognition purposes?

Issue 8: Should accrual accounting be permitted for post-retirement benefit costs of Government contractors?

a. Other than concern with the validity of the liability and the possible need for funding which are discussed as subsequent topics, are there certain criteria that must be met as a prerequisite for using accrual accounting?

b. Should accrual accounting be mandatory if certain criteria are met? If so, describe the criteria.

Issue 9: For uniformity between contractors, should measurement and assignment of post-retirement benefit costs to periods be restricted to a single accounting method? If so, identify that method.

Issue 10: If different accounting methods may be used by different contractors, explain how and when each method should be used.

(ii) Different accounting methods for different benefit types

Although SFAS 106 treats all post-retirement benefits alike, the CAS Board may wish to consider whether different accounting methods may be appropriate for different types of benefits. Natural divisions seem to be health care insurance, life insurance, and "other" benefits (legal services, housing subsidies, adult day care). Similarly, the Board may wish to consider whether a contractor should be permitted to elect to use different accounting methods for different post-retirement benefit plans or for different benefits within the same plan.

¹⁰ Army Contract Adjustment Board (ACAB) Decision No. 1238 (1991).

¹¹ See Topic C for a discussion of the validity of post-retirement benefit liabilities.

Contractor representatives and their actuaries have suggested that, because of the added administrative and actuarial expenses, the accounting treatment should not be separated by type of benefit. In fact, they believe that benefits other than health care insurance and life insurance are not sufficiently material to justify special treatment since they only comprise about 1% or 2% of total post-retirement benefit costs.

The Board will have to determine what constitutes a post-retirement benefit plan. Under SFAS 106, a "substantive plan" may comprise a formal plan document and trust agreement, an undocumented, but well established practice, or a mere reference of intent in an employee handbook. This definition of substantive plan is appropriate for the SFAS 106 purpose of disclosing to investors, shareholders, and lenders, an entity's potential liabilities. CAS 9904.412 and 9904.416 require the purpose of a trust fund or reserve for retiree benefits be set forth in writing as a precondition for accrual accounting. If the SFAS 106 definition of a post-retirement benefit plan is determined to be inadequate for Government contract costing purposes, it may be desirable to require that the obligation be evidenced in writing as a precondition for the use of accrual accounting.

Different contractors may provide similar benefit plans, but package the benefits differently. Consider the following illustration. Contractor X may have four formal documents covering all its employees; one each for retiree medical benefits, retiree dental coverage, retiree life insurance, and retiree discounts. Another contractor, Contractor Y, may provide combined retiree medical, dental, life, and discount benefits through two similar plans, each of which covers different employee populations; i.e., union and non-union employees. If different accounting methods are permitted for different benefits, could Contractor Y elect different accounting for its retiree health care and life benefits provided by the same "plan", or would such an election only be available to Contractor X?

Even more problematic is when the same health care plan provides the same benefits to active employees and retirees. Some contractor representatives have expressed an interest in treating the two participant categories; i.e., active and retired, as separate plans. If permitted they would like to use cash accounting (based on premium payments) for current retired employees while using accrual accounting for the

post-retirement benefits of the active population.

Issue 11: Is the SFAS 106 description of a post-retirement benefit plan adequate for Government contract costing purposes?

a. If not, please describe any modifications or restrictions to the SFAS 106 description that you believe are necessary.

b. Is there an alternative definition that the Board should consider?

Issue 12: Should different accounting methods for different types of post-retirement benefits be permitted when the benefits are provided by the same contractor?

a. If multiple accounting methods are considered appropriate, should the permitted accounting method or methods be dependent on the type of post-retirement benefit provided by separate plans?

b. If multiple accounting methods are considered appropriate, should different accounting methods be permitted for different benefits provided through the same plan?

c. If multiple accounting methods are considered appropriate, should different accounting methods be permitted for different groups within the same plan population; e.g., union versus non-union, active employees versus retirees?

Issue 13: Whether or not multiple accounting methods are considered appropriate, should an administratively less burdensome form of cost accounting be permitted for certain *de minimis* benefits; e.g., adult day care, legal assistance?

a. Should cash accounting be permitted for *de minimis* benefits?

b. Should *de minimis* benefits, whose payment does not involve life contingencies, be specifically subject to CAS 9904.415, deferred compensation rules?

c. How should *de minimis* benefits be defined? Can that definition be readily related to the CAS materiality criteria in 9903.305?

Topic C. Validity of the Liability as a Prerequisite for Accrual Accounting

In considering whether accrual accounting is appropriate for the measurement and period assignment of post-retirement benefit costs to contracts, the CAS Board will have to assess the validity of the estimated liability. A valid liability derives from an event which is expected to occur and the cost effect of which can be reasonably estimated. For purposes of this Staff Discussion Paper, a valid liability is distinguished from a contingent liability for events whose actual occurrence cannot be reasonably

predicted or the cost effect cannot be reasonably estimated.

As with pensions, use of any accrual accounting method for post-retirement benefit plans could create an extended period of delay between cost recognition and benefit payment. This delay raises additional concerns about the validity of the liability. The conservative nature of GAAP leads it towards accrual accounting for not only contractual obligations, but also for informal, and possibly unenforceable, benefit promises. The FASB is concerned that to not disclose these liabilities would imply that no liability exists. Therefore, the question is whether the recognition criteria of SFAS 106 are also applicable for accrual of the cost and the recognition of cost in the Government contracting environment?

Furthermore, some companies have been actively amending, replacing, and eliminating retiree health care plans to contain or eliminate post-retirement benefits costs. The possibility of a retiree health care benefit being greatly reduced or eliminated is much greater than that for pension benefits which fall under the protections of ERISA. Also, because there are limited tax-deductions available for funding post-retirement health care benefits, some companies have been shifting costs to participants through higher deductibles, co-payments, and caps on employer-paid costs. Therefore, it seems that the validity of a liability for a benefit that can be significantly avoided by the unilateral action of a contractor could be questioned. The presumption that a post-retirement benefit plan will continue has less certainty than a comparable pension plan subject to ERISA.

In addition to the documentation requirements similar to those found in CAS 9904.412 and 9904.416, there may be other criteria that should be met before post-retirement benefit costs can be accrued for Government contract cost accounting purposes. After retirement, defined-benefit pension costs are dependent only on investment results, mortality, and possibly a limited adjustment for general inflation. Retiree health care costs are dependent not only on investment results, mortality, and general inflation, but utilization, intensity, and medical inflation rates. Unforeseeable changes, which are not anticipated in the actuarial assumptions, such as future medical advances, changes in delivery systems, new diseases, and increasing health care provider competition will also affect future retiree health care costs. Health care actuarial assumptions; e.g., utilization, intensity, and medical

inflation rates, possess a much greater degree of uncertainty than the economic and mortality assumptions used for pension plans. An important issue concerns the degree of uncertainty that makes an event, or the quantification of the effects of an event, a contingency rather than a reasonable expectation.

Retiree health care plans are often integrated with Medicare, so that after age 65, the benefit structure is that of a Medigap policy that covers costs not paid by Medicare. Coupled with the uncertainty of the assumptions, there are the widely disparate potentialities, over the long-term, for either a complete third-party assumption of company health care liabilities (e.g., a substantial increase in Medicare benefits), which would eliminate or reduce contractors' retiree health care costs, or, conversely, a revised Medicare program that would increase contractors' retiree health care costs. The CAS Board may have special concerns about the appropriateness of use of accrual accounting for retiree health care costs as opposed to retiree life and other benefits. Instead of valuing projected benefit levels, perhaps a liability measurement based on current, that is unprojected, benefit levels would be a more reliable, and therefore appropriate basis, for determining the valid liability to be recognized in the current cost accounting period. The effects of inflation on all benefits and the effect on health care benefits due to changes in utilization and intensity would have to be recognized in future periods as the cost effects emerge.

Issue 14: Can post-retirement benefit liabilities be reasonably estimated; i.e., is there a valid liability, given the degree of uncertainty in projecting post-retirement benefit levels?

Issue 15: Because of the uncertainties in projecting retiree health care benefits and trends, in particular long-term medical cost trends, should accrual accounting for post-retirement health care benefits only recognize current benefit levels?

Issue 16: Because of the uncertainties about future reductions or other changes to the benefit promise, should accrual accounting for all post-retirement benefits only recognize current benefit levels?

Issue 17: Should the validity of the liability be dependent on the formality of the post-retirement benefit plan?

Issue 18: Are there other criteria that should be used to assess the validity of the post-retirement benefit liability?

Topic D. Choice of Actuarial Cost Methods To Measure and Assign Costs to Periods for Accrual Accounting Purposes

The current CAS Board, like its predecessor, believes that generally accepted accounting principles should be used as a basis for determining contract costs for a valid liability whenever practicable. However, the Board has long recognized that GAAP concepts and methods must be scrutinized, and possibly modified if otherwise acceptable, to address the special needs of Government contracting because of its emphasis on predictability of cost allocations between cost accounting periods used for Government contracting purposes rather than the stressing of current period comparability between companies that seems to predominate financial accounting. In this case, one of the most crucial determinations is how the estimated liability for post-retirement benefits is assigned to cost accounting periods. Period assignment is the foundation on which subsequent allocation to intermediate and final cost objectives is based.

Many contractor and Government representatives have suggested that the Board adopt GAAP, as represented by SFAS 106, only adding safeguards truly needed to protect the Government's interests. Some believe pure SFAS 106 accrual accounting, augmented with explicit reversionary rights for the Government in case of an asset reversion, may be sufficient. However, this use of SFAS 106 presumes that post-retirement benefits are analogous to pensions. This presumption appears to be reinforced by the prefatory section of SFAS 106 entitled, "*Similarity to Pension Accounting*", in which the FASB specifically acknowledges that SFAS 106 is based on SFAS 87 and 88 pension accounting principles.

CAS 9904.412 permits the use of any immediate-gain actuarial cost method to apportion, that is, assign, the pension liability over the employees' total years of service. The accrual pattern for a funded pension plan, disregarding any funding limitation, can either be a level amount in dollars or a level percentage of payroll; i.e., as determined under the Entry Age Normal (EAN) actuarial cost method, or can be generally increasing; i.e., as determined under the Accrued Benefit Cost Method (ABCM) or the Projected Unit Credit (PUC) actuarial cost method. CAS 9904.416 requires that the projected average loss; i.e., the annual accrual, for advanced-funded retiree insurance programs be actuarially determined and apportioned

over the working lives of the active population.¹² The CASB staff questions whether contract cost determinations made under the projected average loss methodology constitute accrual accounting. The projected average loss method appears to be an actuarial smoothing technique applied to cash accounting, especially considering that refunds and credits are fully recognized when received.

For SFAS 87 pension accounting, the FASB mandated use of the unit credit family of methods (ABCM and PUC) because the period assignment is tied to the employment service by which benefits are incrementally earned. Often, entitlement to post-retirement benefits is not earned ratably, but occurs instantaneously when the employee meets an age and service eligibility requirement. In such cases, the even apportionment requirement of CAS 9904.416 might be more appropriate.

Issue 19: If accrual accounting is used independent of SFAS 106, what actuarial method or methods should be used to assign the estimated liability to cost accounting periods?

a. Should period assignment be limited to a single actuarial cost method?

b. If the projected unit credit actuarial cost method is used, should period assignment follow the benefit formula attribution method or use "project and prorate" method?¹³

c. If the plan population is predominantly composed of retirees should costs be attributed to the future life expectancy of the retiree population?

Issue 20: Is the projected average loss methodology of CAS 9904.416 an appropriate actuarial cost method for accrual accounting?

Issue 21: Are there other methods of period assignment that you believe should be considered?

E. Assignment of Unfunded Actuarial Liabilities to Accounting Periods for Accrual Accounting Purposes

If accrual accounting is used, post-retirement benefit costs will be dependent on actuarial techniques and assumptions. Actuarial cost methods measure and assign portions of the total liability to past, current, and future

¹² If the population predominantly comprises retirees, then the liability is apportioned over the average life expectancy of the population.

¹³ Under the "project and prorate" method, the projected liability at full eligibility age is apportioned over the employee's years of service without regard to how benefits are actually incrementally earned based on the benefit formula. Use of this method is most common in instances where the benefit is not ratably earned over years of employment.

periods. When a post-retirement benefit plan is first established or accrual accounting first adopted, the portion of the total liability that the actuarial cost method assigns to prior years is identified as the initial actuarial liability, which is sometimes known as the past service liability. The portion of this liability that is not currently secured by assets is the initial unfunded liability. Portions of the total liability assigned to prior periods by the actuarial cost method can also arise from subsequent changes in the benefit design, actuarial cost method, and actuarial assumptions.¹⁴ Actuarial practice typically reassigns these previously unrecognized past service liabilities to current and future periods through an amortization process.

(i) Initial Unfunded Liability

SFAS 106, which considers the liability valid for financial accounting purposes, permits the initial unfunded liability, which is referred to as the "Transition Obligation", to be fully recognized in the period in which SFAS 106 is adopted, to be amortized over the average remaining years of service of the employees at the time of adoption. Many have noted that amortization would minimize the disruption of the forward-pricing and program budgeting processes by spreading the recognition of this large, and long-neglected, past service liability over many future years. Much of the large initial unfunded liability can be attributed to prior periods when there may have been very different levels of Government work performed by a contractor. In such instances, amortization over the remaining years of service would recognize the initial unfunded liability during future periods of lower, or possibly further changing, Government participation.

Few contractors used accrual accounting to price their Federal contracts prior to the issuance of SFAS 106. Since most contractors ignored the liability for post-retirement benefits prior to the promulgation of SFAS 106, some believe that the Government has no responsibility for these liabilities that have appeared only when the prior practice of cash accounting was abandoned. A practical issue will be whether to, and how to, identify the Government's share, if any, of the initial unfunded liability.

CAS 9904.412 provides for the recognition of the initial unfunded

liability, that is, the unfunded actuarial liability attributable to prior periods when a pension plan is first established, by providing that such initial unfunded liability will be reassigned to future periods through an amortization process. An alternative treatment of this initial unfunded liability would be to set it aside from other portions of the unfunded actuarial liability being recognized for Government contract costing purposes and treat it as a separate or "exceptional" item. If this treatment were adopted, the period cost would comprise the normal cost or projected average loss, plus recognition of gains and losses, and prospective changes to the plan, actuarial assumptions, or actuarial cost method. This approach would permit the Government and a contractor to establish a short term relationship without having to adjust contract costs for liabilities and assets accumulated, but not recognized, during prior periods.¹⁵

Issue 22: To what extent, if any, should the initial unfunded liability of post-retirement benefit plans be recognized for Government contract costing purposes?

Issue 23: If the initial unfunded liability is recognized, should it be fully recognized in the cost accounting period when accrual accounting is adopted or should it be amortized? If amortized, what should the amortization period be?

Issue 24: If the initial unfunded liability is recognized, should there be some consideration of historical Government participation levels in the allocation of the initial unfunded liability to current and future contracts?

a. If yes, how should such a recognition be measured? Would permitting accrual accounting as an optional election rather than a mandated method affect your answer?

b. Alternatively, to better match the amortization installments with the current level of Government contracting, should the SFAS 106 amortization method of level principal payment and declining interest equivalents be used? What about using a shortened amortization period; e.g., 10 years.

Issue 25: If the initial unfunded liability is not recognized, should accrual recognition be further limited to the normal cost plus recognition of experience gains and losses and assumption changes?

Issue 26: Are there alternative accounting treatments that the Board should consider for the initial unfunded liability?

(ii) Changes in Unfunded Actuarial Liability Due to Experience Gains and Losses

Actuarial assumptions are estimates of future conditions affecting costs. For post-retirement benefits, the assumptions include future trends affecting health care costs; e.g., medical cost inflation, utilization, and intensity, in addition to the events considered for pension costs. And, like pensions, actual experience will differ from actuarial expectations. GAAP, as expressed in SFAS 106, favors current period recognition of the experience gains and losses as they occur. The Cost Accounting Standards are divided on this subject. CAS 9904.413, which is concerned with consistency between periods, requires that experience gains and losses be amortized over a 15 year period. CAS 9904.416-50(a)(1)(vi) would seem to require that experience gains and losses; i.e., the difference between estimated and actual refunds, dividends, and assessments, be recognized in the period that the difference is first known.

In SFAS 106, the FASB limits the immediate recognition of gains and losses to a corridor, which is related to the benefit liability and the market value of any assets. Any gain or loss falling outside of the corridor is amortized over the employees' average remaining years of service. CAS 9904.413 requires that experience gains and losses be amortized over 15 years to dampen the volatility of annual market movements. For Government contract cost accounting of post-retirement benefit plans, it may be desirable to use a shorter amortization period so that the gain and loss recognition will be closer to the period when the gain or loss occurred. Concerns with predictability and forward-pricing would seem to argue for amortization. The Board may have to seek a proper balance between early recognition and increased volatility.

Issue 27: Should experience gains and losses be recognized in the period of occurrence?

a. If yes, should the current period recognition be limited to a corridor? How should that corridor be defined?

b. If generally no, is there some *de minimis* level of gain or loss that should be recognized in the current period?

c. Are there certain recurrent gain or loss events that should be recognized immediately?

¹⁴ Changes in actuarial assumptions, actuarial cost method, or underlying benefit promise may also constitute a change in accounting practice, which is the subject of a separate CASB case currently under consideration.

¹⁵ This discussion is focused on the recognition of prior period costs at the time a contractor first becomes subject to a Standard on post-retirement benefit costs. Topic J discusses the recognition of prior period costs at the time a contracting relationship ends.

Issue 28: Should experience gains and losses be amortized?

a. Should a longer amortization period; e.g., 15 or 20 years, be used to enhance consistency between periods by dampening volatility?

b. Should a shorter amortization period; e.g. 5 or 10 years, be used to keep recognition closer to the period in which the gain or loss occurred?

c. Should the amortization period reflect the average remaining years of service for the plan's active population? What if retirees predominantly comprise the plan population?

Issue 29: Are there other methods of recognizing experience gains and losses that should be considered?

(iii) Other Changes in Unfunded Actuarial Liability

In addition to experience gains and losses, the treatment of all other changes in the liability must be addressed. The Board will have to specifically address the cost accounting for changes in the actuarial assumptions, the actuarial cost method, and the benefits or plan design.

Because SFAS 106 promotes recognition of current conditions, the effects of actuarial assumption changes are included with the experience gain or loss. CAS 9904.412, which was modeled after APB 8 and ERISA, treats changes in liability due to changes in actuarial assumptions separately from experience gains and losses. Under SFAS 106, the choice of the discount rate is restricted in that it must fit certain criteria set forth in SFAS 106 as well as guidance from the Securities and Exchange Commission. The discount rate, and certain other actuarial assumptions, must reflect current conditions which are assumed to be beyond a contractor's control. Therefore, it is consistent to report the effects of changes to such assumptions as part of the experience gain and loss. Conversely, CAS 9904.412 requires that all actuarial assumptions reflect a contractor's long-term expectations. Because the timing and degree of assumption changes is generally under the control of the contractor, CAS 9904.412 does not consider the effects of such changes to be experience gains and losses from external forces¹⁶.

SFAS 106 does not address changes in actuarial cost method because the cost method is mandated. If choice of actuarial cost method is permitted for cost accounting, the recognition of the effect of an actuarial cost method

change on the liability estimate will have to be addressed. Also, for consistency, any change in actuarial cost method, if permitted, probably should be treated as an accounting practice change as it has been with pensions.

Included in the CAS 9904.412 definition of actuarial cost method is the asset valuation method. Both SFAS 106 and CAS 9904.413 permit the use of actuarially determined asset values whereby single period investment experience volatility is smoothed through an asset valuation method. Such asset valuation methods typically amortize asset gains and losses over a five (5) year period. To maintain reasonable values, CAS 9904.413 requires that the actuarial value of assets fall within a specified corridor related to market value. If asset smoothing techniques are not permitted, the CAS Board may wish to consider whether amortization of experience gains and losses over the somewhat extended 15 year period or average remaining years of service provides adequately for current asset values, or whether amortization of asset gains and losses over a shorter time frame; e.g., five years, should be permitted, or even mandated.

As with experience gains and losses, SFAS 106 requires that increases in the estimated liability (losses) due to plan amendments are always amortized. On the other hand, decreases in the estimated liability (gains) due to plan amendments are offset against any existing unrecognized prior service liability before being amortized. Under CAS 9904.412, the effects of plan changes are amortized regardless of whether the liability increases or decreases. The Board will have to consider the proper cost accounting for changes in liability due to plan amendments.

Finally, for situations where the CAS Board determines that amortization of the effect of a change is appropriate, the Board will have to consider the appropriate amortization period. CAS 9904.412 permits a contractor to select, based on predetermined criteria, the amortization period. The amortization period can range from 10 to 30 years and the criteria should consider materiality and the nature of the change. SFAS 106 specifies that the amortization period be equal to the employees' average remaining years of service. Factors the CAS Board may wish to consider are consistency between periods, uniformity between contractors, and the delay in the recognition of changes in the estimated liability.

Issue 30: Should the effect of a change in actuarial assumptions be treated separately from experience gains and losses?

Issue 31: Should the effect of a change in actuarial cost method, including the asset valuation method, be treated separately from experience gains and losses?

Issue 32: Should the use of actuarially determined asset values be permitted for the recognition of some asset gains and losses that would otherwise be treated as an experience gain or loss?

a. If yes, should the actuarially determined assets value be related to the market value of the assets? If so, how?

b. What limits and criteria should apply to the actuarial determination of the asset values; e.g., time period over which these asset gains and losses are spread?

c. Should the asset valuation method be considered to be part of the actuarial cost method?

Issue 33: Should the effect of a change in benefits or plan design be treated separately from experience gains and losses?

Issue 34: Should the amortization period for recognizing changes in the actuarial liability be specified?

a. If yes, what should the specified amortization period be? Should the amortization period differ depending on the cause of the change in actuarial liability; e.g., emerging experience gain or loss, change in benefit or plan design, change in actuarial assumptions, change in actuarial cost method?

b. Alternatively, should a contractor be permitted to select the amortization period?

c. If a contractor may select the amortization period, what criteria, if any, should be imposed on that selection?

d. If a contractor may select the amortization period, should the amortization period be fixed once selected? If the period is not fixed, how does one address changes in the amortization period?

Topic F. Actuarial Assumption Considerations if Accrual Accounting is Used

The SFAS 106 criteria for selecting actuarial assumptions, some of which are based on current market conditions, can produce volatility which is counterproductive to consistency between periods, and therefore to predictability for forward pricing purposes. To enhance inter-period consistency, CAS 9904.412 requires that assumptions be based on long-term expectations. Likewise, under CAS 9904.416, projected average losses must

¹⁶ While a contractor can exercise certain freedom in determining its "best estimate" of future trends, other factors, such as historical trends, plan experience, industry trends, must be considered.

be actuarially determined on a long-term basis. Besides the concerns for consistency, post-retirement benefit plans probably will have to be based on long-term, ongoing commitments, in order for estimated liabilities to be considered valid.

The pension Standards have always required that assumptions be based on long-term, best-estimate, expectations. The recent amendments to the pension Standards followed the lead set by SFAS 87 and ERISA by requiring that each assumption be individually identified and reasonable. The CAS pension and insurance Standards do not impose any requirements on the selection of assumptions beyond that of long-term reasonableness.¹⁷ The revised CASB Disclosure Statement, DS-1, asks contractors to "describe the events or conditions for which significant actuarial assumptions are made for determining the cost accrual." The elicited information is not the current numeric values of the assumptions, but rather the accounting practice(s) used for determining these numeric values. Conversely, SFAS 87 and SFAS 106 set forth general guidance on the basis for selecting the discount rate. In CAS 9904.414, "*Cost of money as an element of the cost of facilities capital*", the Board requires that a contractor use "interest rates specified by the Secretary of the Treasury pursuant to Pub. L. 92-41 (85 Stat 97)". CAS 9904.415 also requires that the present value of deferred compensation awards be valued using the Treasury rate.

There is ample precedent for the Board to consider mandating a specific interest rate.¹⁸ Furthermore, there has been limited funding of post-retirement benefit plans so that there are often little or no assets from which to derive meaningful historical rates of investment return or against which the reasonableness of the assumption can be gauged. Most of the assets, if any, will be accumulated from future contributions. There may be a need to set forth the basis for selecting the interest assumption or even mandate the use of a specific rate. If such a requirement is deemed desirable, the issue may be whether the basis for determining the rate or the rate itself should be prescribed. Possible

candidates for a mandated rate could be the contractor's internal rate of return or the CAS 9904.414-50(b) Treasury rate. Another possibility is to reference a hypothetical bond portfolio similar to the SEC's requirement for SFAS 87 disclosures that the rate be based on a portfolio of bonds rated "Aa" or better.¹⁹

Many other assumptions address the same contingencies as pension assumptions. Often the same employee population is covered by both the pension and the post-retirement benefit plan. It may be desirable to require that population assumptions about events and conditions that are common to both plans be the same, or at least consistent and reconcilable. Similarly, there are economic and non-population conditions and events, such as general inflation and plant closings, that apply equally to both types of plans. Again, there should be consistency between the assumptions used to measure pension costs and post-retirement benefit costs.

Certain assumptions are unique to post-retirement benefit plans.²⁰ This is particularly true of retiree health care benefits. One of the primary findings of the Coopers and Lybrand field test of the SFAS 106 exposure draft was the lack of statistically reliable benefit data. Most census data only identified the employee and did not include information on spouses, children, and other dependents. To further complicate matters, benefit payment records often did not identify whether the recipient was active or retired, the employee or the dependent, Medicare eligible or not. While the situation has greatly improved as companies have upgraded their data systems in response to SFAS 106, the newness of reliable databases combined with frequent changes in the benefit structure limit the usefulness of companies historical data for predicting future trends. However, unlike the interest assumption, the CASB staff is unaware of any alternative basis for projecting benefit payments.

A final consideration is the responsibilities of the actuary and the contractor. Since the actuary is not a party to the Government contract, CAS 9904.412 and 9904.413 have always imposed the responsibility for selection of actuarial assumptions on the contractor. The actuary is a paid

consultant of the contractor. The contractor defines the scope of work and can thereby exercise significant control over the actuary's work product. Nevertheless, some have suggested that the actuary's post-retirement benefit cost and liability measurements be subject to generally accepted actuarial principles and practices as promulgated by the Actuarial Standards Board (ASB), an independent body within the American Academy of Actuaries. Thus, if a contractor instructs an actuary to value the post-retirement benefit plan with assumptions that the actuary believes are unreasonable, the actuary would have a professional obligation under ASB principles and practices to disclose that fact, although probably counter to the client's wishes.

A difficulty may arise when a contractor's "best estimate" materially differs from his professional actuary's "best estimate", but falls within a range the actuary can accept. Legitimate differences in expectations concerning the future should not pose a problem. But, procuring officials and auditors have expressed concern that a contractor, rather than designating use of its "best-estimate" assumptions, has selected assumptions advantageous to maximizing cash flow or for creating artificially low costs to be used in competitive negotiations. This concern is greater with retiree health care benefit liabilities that can be more sensitive to minor changes in assumptions. The CASB staff notes that SFAS 106 and Actuarial Standard of Practice Number 6 both require a sensitivity analysis of the assumptions used for post-retirement benefit costs.

Issue 35: Should actuarial assumptions for on-going post-retirement benefit plans be based on long-term, "best-estimate", expectations as they are for pensions?

Issue 36: Should a change in the basis used to set actuarial assumptions be treated as a change in cost accounting practice?

Issue 37: Should the Board require a certification that the actuary's selection of assumptions, measurement of the liability, and assignment of cost to periods are in compliance with generally accepted actuarial practices and principles as promulgated by the Actuarial Standards Board?

Issue 38: Should the CAS Board require a sensitivity analysis of the assumptions?

a. If yes, should there be specific pass/fail criteria?

b. If no, what criteria, if any, should be used to evaluate the validity of an actuarial assumption?

¹⁷ Except where a loss has occurred but payment is deferred. (See CAS 9904.416-50(a)(3)(ii)).

¹⁸ For purposes of this Staff Discussion Paper, terms such as "interest rate", "discount rate", or "investment earning rate" are treated synonymously referring to the interest assumption, except where the context clearly indicates otherwise. The interest assumption is the rate used to reflect the time value of money in present value calculations.

¹⁹ See SEC letter dated September 22, 1993 to Mr. Timothy S. Lucas of the FASB.

²⁰ See paragraph 5.5.2 of Actuarial Standard of Practice No. 6, "*Measuring and Allocating Actuarial Present Values of Retiree Health Care and Death Benefits*", for a partial list of possible assumptions. As used in this statement, the term "allocation" refers to the process of assigning portions of the liability to accounting periods. Actuarial standards of practice do not address the allocation of costs to final cost objectives.

Topic G. The need, if any, to Substantiate Accruals by Funding

As with pension costs, there is an extended delay between the cost assignment of and the actual payment of the benefit liabilities. Unlike pensions, there is a greater degree of uncertainty in the estimation of the liability and there are fewer opportunities to prefund post-retirement benefit costs on a tax-advantaged basis.

Once the concern of what is a post-retirement benefit plan for cost accounting purposes is settled and criteria for accrual accounting are established, the Board will have to address an even more difficult topic—the need, if any, for a funding requirement. Post-retirement benefit plans are more comparable to nonqualified than to qualified pension plans, and therefore the Board may have to address many of the issues that arose in the pension case in the case of post-retirement benefit costs, as well. The Board's decisions in this area will have to be consistent or reconciled with the decisions regarding nonqualified pension plans.

(i) The Need To Substantiate

Several contractor representatives have opined that no action on post-retirement benefits is preferable to a funding requirement and noted that they had been able to negotiate equitable agreements with Contracting Officers concerning accounting for post-retirement benefit costs. But such individual arrangements with contractors defeats the goal of uniformity. Another concern is the effect of a funding requirement on competition, since the ability to use tax-advantaged funding could vary greatly between contractors and because some contractors who have been funding their post-retirement benefits will have much lower costs.²¹ Many in the contracting community believe that post-retirement benefit liabilities are valid liabilities and therefore a funding requirement is not needed. They note that there would be substantial administrative expenses associated with establishing and maintaining a fund. They do concede it is reasonable to have an adjustment mechanism so that the Government can recover any prior period post-retirement benefit costs, which were priced into contracts, whenever a post-retirement benefit plan is terminated.

Many procuring agency representatives firmly believe that

funding is still necessary to protect the Government's interest, especially given the dollar magnitude of post-retirement benefit plan costs, the degree of uncertainty, and, as with pensions, the extended delay between the employment service that creates the liability and the benefit payment that liquidates the liability. From an accounting point of view, the need to substantiate long-term liabilities applies to post-retirement benefits as much as it does to accrued pension costs under CAS 9904.412 and to prefunded retiree insurance costs under CAS 9904.416. There is also the question of public policy that suggests to many a careful scrutiny of any funds advanced to contractors through accrual accounting of post-retirement benefit costs on an unrestricted basis.

At first blush, it would appear that consistency with the pension Standards could be achieved using the tax-rate complementary funding requirement for nonqualified plans, which are most similar to post-retirement benefits. However, some Government representatives are still not comfortable with the tax-rate complementary funding concept for nonqualified pension plans, but have accepted the notion because these nonqualified plan liabilities are still relatively small compared to those of qualified pension plans. They might find the tax-rate complementary funding approach difficult to accept for estimated liabilities of the magnitude associated with post-retirement benefits. Some actuaries with clients who are Government contractors observe that there has been little interest in using complementary funding for nonqualified pension plans. Many express a belief that complementary funding adds an element of complexity without utility.

In addressing the funding issue, it may be advisable to avoid any direct connection to the Internal Revenue Code (IRC). Unlike pensions where the bulk of the liability is associated with qualified pension plans whose trusts are tax-exempt and whose contributions are tax-deductible, the opportunities for tax-advantaged funding of post-retirement benefit plans is essentially limited to VEBA trusts and IRC § 401(h) separate accounts. Considering that the tax-advantages of non-union VEBA trusts were drastically reduced in the early 1980s and that the tax-advantages of qualified pension plans have been somewhat reduced, any funding requirement that is tied to the IRC would have to be flexible enough to handle possible future restrictions as tax policy changes. In fact, it remains

arguable whether tax-consequences should be a concern in developing an accounting standard.

Although at present there is only limited funding, if any, of post-retirement benefit plans, any imposition of a funding requirement might consider the need for a limit on the accrual of post-retirement benefits similar to the CAS 9904.412 "assignable cost limitation". Such a limitation would prevent over-funding once fully adequate assets had been accumulated. And, to be consistent with the period assignment rules for pensions, any assigned cost, and associated interest, that was voluntarily not funded might be explicitly eliminated from contract costs in future periods. Likewise, funding in excess of the assigned cost might be carried forward, with interest, until needed in future years.

Issue 39: Is funding necessary to substantiate accrual of costs for the estimated liability for post-retirement benefits? If so, what level of funding is necessary?

Issue 40: Because assets are an integral part of cost measurement under most actuarial cost methods, how should the unfunded portion of the cost accrual be accounted for if funding for all or some portion of the accrued cost of a period is not required?

Issue 41: Should a Standard addressing Government contract costing consider the tax consequences of its accounting rules? If so, should the Board consider tax-rate complementary funding similar to that in CAS 9904.412?

Issue 42: Should there be an "assignable cost limitation" similar to that found in CAS 9904.412? Should such a limitation be defined differently for post-retirement benefit costs?

(ii) Funding Vehicles

There are two types of VEBAs: union and non-union. The earnings of a union VEBA are tax-exempt, but the earnings of a non-union VEBA, like those of a "rabbi" trust, are subject to the unrelated business income tax (UBIT). For consistency with the amendments to the pension Standards, the Board may wish to consider treating UBIT taxes on the earnings of a non-union VEBA trust as an administrative expense of the fund.

Another issue is which investment vehicles should be recognized as assets for funding purposes. Contractors and their actuaries report that use of Trust Owned Life Insurance (TOLI) arrangements and Corporate Owned Life Insurance (COLI) arrangements is rare for retiree health care benefits. They indicated that use of "rabbi" trusts for

²¹ The concern with contract cost difference due to cash accounting versus funded accruals is related to the topic of permitting multiple accounting methods previously discussed under Topic B.

post-retirement benefits was somewhat rare and only knew of one contractor who used a secular trust for post-retirement benefits. The use of IRC § 401(h) accounts and VEBAs in combination are somewhat common. They did note that accruals for bargaining unit plans can often be fully funded using a union VEBA. And, the larger the Government business base, the more likely a contractor is to establish means of funding post-retirement benefit costs in order to use accrual accounting for contract pricing.

Any consideration of post-retirement benefit investment vehicles should address the nature of IRC § 401(h) accounts. ERISA permits a qualified pension plan to provide retiree health care insurance benefits through a tax-qualified trust provided that such benefits are ancillary to the basic retirement benefit and the contributions for 401(h) health benefits are accounted for separately from other pension benefits. It is noteworthy that ERISA does not impose this separate accounting requirement for other ancillary benefits such as disability income and life insurance. Many have suggested that this separate accounting provision distinguishes post-retirement health care benefits from benefits that can be considered to be "an integral part of the pension plan". A decision may be desirable as to whether, for Government contract cost accounting purposes, an IRC § 401(h) account is an integral part of a pension plan, and thereby subject to CAS 9904.412 and 9904.413, or is a form of post-retirement benefit plan asset subject to a Standard dealing with post-retirement benefits.

For both CAS 9904.412 and 9904.416 purposes, the funding arrangement must be either in the form of a trustee fund or a reserve maintained by an insurer. For consistency, any funding provision for post-retirement benefits probably should require that the assets be maintained either by a trustee in a fund or an insurer in a reserve established for the exclusive purpose of providing post-retirement benefits. Also, given the abuses that have occurred in some qualified pension trusts and the proprietary nature of insurance company calculations, it may be desirable to require that the investments have a definitely determinable fair or market value. Such a rule may not have to apply to an insurer's statutory reserve associated with a bona-fide group or individual insurance contract subject to state insurance laws. The CAS 9904.416 provisions regarding captive insurers should also apply to a fund or reserve maintained or trustee by an insurer.

Issue 43: Identify types of trust arrangements; e.g., IRC § 401(h) accounts, VEBAs, "rabbi" trusts, secular trusts, that should be considered? Is the Government's interest sufficiently protected by these trust arrangements?

Issue 44: Identify what insurance arrangements; e.g., insurance reserves, separate investment accounts, COLIs, TOLIs, should be considered? Is the Government's interest sufficiently protected by these insurance arrangements?

Issue 45: Should separate accounts established within a qualified pension trust for IRC § 401(h) health benefits be considered the assets of a post-retirement benefit plan or the assets of an ancillary benefit that is an integral part of the pension plan.

Issue 46: Can several types of funding arrangements be combined to form the assets of a post-retirement benefit plan? If so, is there a preference or priority order to the various types of funding?

(iii) Alternatives

Given the limited availability of efficient funding vehicles that would sufficiently protect the Government's interest, the CASB staff believes that an alternative means of substantiating the cost should be explored. Although most alternatives will not be as secure as a trustee fund, the avoidance of administrative expenses and burdens may be a compensating factor.

One possibility would be to permit a very limited form of accrual accounting. This could be achieved by limiting or prohibiting projections of benefit growth in actuarial calculations. Considering the comments received by the CAS Board in response to the Staff Discussion Paper on "Accounting for Unfunded Pension Costs", 56 Fed. Reg. 27780, such an approach should recognize future vesting, especially since vesting often does not occur until full eligibility under many post-retirement benefit plans.

The Board may decide to not provide for the recognition of the initial unfunded liability.²² If so, this may decrease annual costs sufficiently to mitigate the Government's interest in ensuring that the accrued costs are funded. This could be especially true if this treatment is coupled with a somewhat restrictive measure of the accrued cost.

Another alternative may be to require that a contractor obtain a surety bond to protect the Government's reversionary interests in the case of a plan termination or segment closing. The CASB staff questions whether such

bonds are or would be available. Furthermore, if a contractor's financial situation were to deteriorate, the contractor may not be able to maintain the bond or afford the necessary premium at the point in time when the Government's reversionary interest is most at risk.

The alternatives set forth above are examples and are not intended to set any limits on alternative approaches. The staff encourages respondents to this Staff Discussion Paper to propose any other alternatives that they believe should be considered.

Issue 47: Can restrictions be placed on the actuarial cost method that would obviate the need to substantiate the accrual through a funding requirement?

a. Would the accrual recognition be sufficiently restricted by the use of the accrued benefit cost method?

b. Would the accrual recognition be sufficiently restricted if only current, that is, unprojected, benefit levels are considered?

c. Are there other actuarial cost method restrictions that should be considered as alternatives to a funding requirement?

Issue 48: If the initial unfunded liability is not recognized, would the need to substantiate the accrual through a funding requirement be obviated?

Issue 49: If all changes in actuarial liability are not recognized, except for experience gains and losses, would the need to substantiate the accrual through a funding requirement be obviated?

Issue 50: Would the purchase of a surety bond or other third party guarantee adequately protect the Government's interests in lieu of a funding requirement? Identify the types of guarantees that may be available and appropriate.

Issue 51: Are there other alternatives to a funding requirement that should be considered?

Topic H. Cost Determination for Segments

Once decisions are made on how to measure and assign to periods the costs of post-retirement benefit plans, the staff believes a review is needed of how such costs are determined at segments prior to their ultimate allocation to final cost objectives. GAAP is not concerned with the intra-period allocation of costs to cost objectives, so any consideration of how post-retirement benefit costs are allocated to segments needs to be addressed. Furthermore, the plan population or experience of a segment may be substantially different from that of the post-retirement benefit plan as a whole. In such instances there may be a need to treat that segment separately

²² See Subtopic E(i).

from the rest of the post-retirement benefit plan.

(i) Allocation of Post-Retirement Benefit Costs to Segments

Post-retirement benefit plans may be established and costs accumulated at the corporate, home office, or segment level. Regardless of whether post-retirement benefits are viewed as pensions, deferred compensation, or insurance, if they are incurred at the home office level those costs would seem to be a central payment or accrual for CAS 9904.403 purposes. Moreover, post-retirement benefit cost calculations are based on employee census data so that portions of the home office post-retirement benefit expense often can be readily associated with the employees of individual segments. The fundamental requirement found at CAS 9904.403–40(b)(4) and the illustration at 9904.403–60(c), both of which specifically address pension and insurance costs, seem to provide the basic guidance regarding how post-retirement benefit costs could be allocated to segments. It can also be argued, however, that following the concepts and principles found in CAS 9904.403–40(a)(1), post-retirement benefit costs should be directly allocated to segments on a bases that reflects the appropriate beneficial or causal relationships.

The appropriate base used to allocate post-retirement benefit costs from the home office to segments may differ from that used for pensions or insurance. Post-retirement benefit costs often are not salary related and the allocation base used for pensions or other insurance may be inappropriate for post-retirement benefits. The CASB staff believes that special guidance, similar to that used for pensions found at CAS 9904.413–50(c)(1), may be needed to describe the appropriate base or bases for allocating post-retirement benefit costs to segments. Clearly any review of the allocation basis should consider both the accounting method used to measure and assign costs and the relationship of the benefits to the covered population. This review would have to consider how costs for a plan providing both flat benefit health care insurance and salary-related life insurance should be allocated. Note that this allocation question is similar to the one raised under Topic D concerning whether health care and life insurance benefits should be treated separately.

Issue 52: Does CAS 9904.403 provide adequate guidance on the allocation of post-retirement benefit costs from home offices to segments?

Issue 53: In addition to the current guidance in CAS 9904.403, is there a need for special guidance on the allocation of post-retirement benefit costs from home offices to segments?

Issue 54: What allocation base(s) are appropriate for post-retirement benefit costs?

Issue 55: Should the allocation base vary by type of post-retirement benefit; e.g., health care insurance, prescription drug programs²³, life insurance, retiree discounts?

Issue 56: Does the accounting method; i.e., cash accounting, terminal funding, or accrual accounting, affect the selection of the appropriate allocation base?

(ii) Separate Calculation of Segment Post-Retirement Benefit Costs

CAS 9904.413 and 9904.416 both require that segmented accounting²⁴ may have to be used to isolate to a segment costs attributable to that segment only. For consistency with the CAS pension Standards, and more importantly, to follow the CAS 9904.403 concept of directly allocating costs to the greatest extent practicable, a similar provision may have to be made for post-retirement benefits. Therefore, it may be desirable to require that when the demographics, risk factors²⁵, or experience of a segment are materially different from those of the post-retirement benefit plan as a whole, post-retirement benefit costs should be separately calculated, that is, measured, assigned, and allocated at the segment level. In such cases, a segment's accrual computations would also need to address the initial allocation of assets to a segment and the subsequent annual asset valuations. Certainly, if the population of a segment comprises the entire population of a post-retirement benefit plan, it would seem to be a basic requirement that costs be determined at the segment level. If other than accrual accounting is permitted, such a requirement may have to be extended so that cash accounting and terminally funded costs are directly charged to a segment based on the population that retired from that segment.

²³ Prescription drug costs can represent a very significant portion of the costs of a health care insurance program. It may be appropriate to treat such coverage separately from other health care benefits.

²⁴ As used in this Staff Discussion Paper, "segmented accounting" refers to the process of measuring, assigning to periods, and accumulating all or some elements of the cost at the segment level rather than at the home office level.

²⁵ There may be hazardous work performed at some Government segments that is not found in other Government and commercial segments.

Issue 57: If the post-retirement benefit plan is established at the home office or corporate level, should post-retirement costs ever be separately calculated at the segment level?

Issue 58: If the post-retirement benefit plan covers only the employees of a particular segment, should the costs of the plan attributable to that segment be calculated, that is, measured, assigned, and allocated at the segment rather than at the home office or corporate level?

Issue 59: Should refunds and credits ever be accounted for at the segment level? If so, please describe the appropriate circumstances.

Issue 60: Should experience gains and losses ever be accounted for at the segment level? If so, please describe the appropriate circumstances.

Issue 61: Should segmented accounting be required if plan population or plan design factors affect one segment more or less than other segments? If so, please describe the factors that should be considered; e.g., mortality, morbidity, special benefit supplements, state insurance law.

Issue 62: Should contractors be permitted to establish special segments for retired or other inactive plan participants?

Issue 63: If funding is considered to be a prerequisite to accrual accounting, should the methods described in CAS 9904.413 be used to initially allocate assets to the segment and thereafter annually updated?

(iii) Funding of Government Segments Only

Some have suggested that contractors be permitted to fund only the post-retirement costs of their segments performing work under Government contracts if the contractor uses segmented accounting. This would permit contractors with predominately commercial business to account for and operate their commercial segments as they determine best for that environment.

Besides the concerns as to what constitutes a plan,²⁶ a practical problem would be how to design a trust document that would reserve the assets for the exclusive use of only certain employees of a plan. Pension and trust law generally view the trust fund as providing assets for all participants of a plan. The CASB staff questions whether any trust and plan arrangements could be developed that would permit segmented accounting and funding, other than establishing and maintaining a separate plan and trust for the

²⁶ See subtopic B(ii) "Different accounting methods for different benefit types".

segment. Operating separate plans and trusts could be administratively burdensome.

In the preamble to the final rule on pension costing (61 FR 16534), the CAS Board, in permitting segmented funding of qualified pension plans, noted that while the assets of a plan are subject to the claims of all plan participants, the funding requirements and protections of ERISA would provide similar funding for all segments. However, the segmented funding option is not available to nonqualified pension plans because they lack the minimum funding requirements of ERISA. The funding of post-retirement benefit costs is an act that provides the plan participants with security and assurance that the deferred benefit will ultimately be paid. Many post-retirement benefit plans cover several segments so that all employees are eligible to earn the same benefit regardless of whether a particular segment performs Government work. However, the employees of segments performing Government work would have a greater level of security if only those segments are funded. Thus, there may be legal or employee relationship constraints on the establishment and funding of only those segments performing Government work.

Whether a separate trust is established for a given segment, the funds in the trust would probably not be directly available to a contractor if the Government is ever due a credit or other refund. Therefore, as with pensions, any credit or adjustment would come from general corporate resources. This use of corporate funds would be offset by the trust assets which remain available for the funding of benefits. Thus, the trust cannot directly provide the funds for any adjustment covering the Government's rights. Nevertheless, it may be possible for segmented funding of a plan-wide trust to be evidenced by memorandum records and to use general corporate resources for the adjustment. Because the plan assets are retained in the trust fund, the subsequent recovery of these corporate funds would occur through lower future post-retirement benefit contributions. If the use of such memorandum records is adequate to protect the Government's interest, then separate trust arrangements may not be necessary.

Others have pointed to CAS 9904.413-50(c)(9) and have suggested that contractors be permitted to establish separate retiree segments. Modeled after the insurance concept of a retired life reserve, a retiree segment can be a useful device whereby retirees are fully funded and removed from the active population that is performing

work under Government contracts. Furthermore, if the CAS Board permits contractors to use different accounting methods for different plan populations, then permitting separate funding arrangements for those populations may be desirable. However, the concerns expressed above about segmented funding would apply to different funding provisions for different populations within the same plan.

Issue 64: If funding is considered to be a prerequisite for accrual accounting, is it desirable to fund only those segments performing work under Government contracts?

Issue 65: Can a trust arrangement be restricted so that only the benefits of plan participants of segments performing work under Government contracts are funded?

Issue 66: Alternatively, could an arrangement be developed whereby segmented funding is evidenced using memorandum records within a trust established for the post-retirement plan as a whole? Would such memorandum records be adequate to protect the Government's interests?

Issue 67: If separate funding is permitted, how should the assets attributable to employees transferring between funded and unfunded segments be treated?

Topic I. Accounting for Plan Terminations, Liability Settlements, and Benefit Curtailments

Under paragraph 103 of SFAS 106, changes that a company voluntarily makes to its post-retirement benefit plan that can be viewed as an extraordinary event; e.g., plan terminations and benefit curtailments, should be dealt with separately from normal modifications to the design of an ongoing plan. Because the estimated liabilities of post-retirement benefit plans can be dramatically affected by a variety of factors, the CAS Board may wish to consider if such changes require special treatment as some type of extraordinary event.

Although court decisions have somewhat limited a company's ability to eliminate or reduce benefits, contractors can make substantial changes to the benefits or even terminate a plan. GAAP, as represented by SFAS 88, SFAS 106, and APB 30, views such major and infrequent changes to the liability as extraordinary events.²⁷ These

²⁷ The termination of a plan, and possibly a major benefit curtailment, is a change in the accounting basis for the cost accrual; that is, the assumption that the plan is an ongoing, permanent undertaking has been negated. The CAS Board uses the 9904.413-50(c)(12) adjustment mechanism, rather than a reference to the CAS provision for

events; e.g., plan terminations and benefit curtailments, may require special treatment under certain conditions. CAS 9904.413-50(c)(12) and 9904.416-50(a)(1)(vi) require that a credit be allocated in the current contract period based on the amount that reverts; that is, is refunded, from the trust fund or reserve. CAS 9904.413-50(c)(12) extends this requirement to the gain that occurs when a plan is frozen or benefits are curtailed.

If benefits are curtailed or dramatically increased, as long as the contracting relationship continues and costs are computed for the plan, one possibility is to amortize the gain or loss as would be the case for other experience gains or losses or plan changes. This approach would cause the least disruption to the forward-pricing process. However, such gains and losses can be quite large. In an environment of a declining or an expanding defense business base, equity may be better served by either immediate recognition or accelerated amortization. Any proposed solution to large gains attributable to benefit curtailments must also address the treatment of large losses due to benefit improvements. Therefore, a company's post-retirement benefit liability that is tied to Medicare, will have to be adjusted as Medicare benefits change.

Because large changes in post-retirement benefit liabilities may permanently reduce or increase the liability and costs of the post-retirement benefit plan, it may be preferable to directly adjust contract costs and prices. Otherwise, if a contractor's fixed-price contract backlog was sufficiently great, the effect of a change which is attributable to prior period costs being over- or under-estimated because benefit changes could not be anticipated, may never be credited or debited to the Government.

If a plan is terminated or frozen, then no further costs will be computed for that plan against which an amortization installment can be credited. As long as the contracting relationship continues, the amortization installment credits could be reflected in ongoing contract costs and prices. But, because there would be no further calculation of costs for that post-retirement benefit plan, a mechanism to effect the adjustment would have to be developed. If a replacement plan is established, such a mechanism would prevent duplicate charges from being made for the same

accounting practice changes, because such an event is equated to the GAAP concept of an extraordinary event wherein the effect of the event on prior period costs must be fully recognized in the current period.

liability. Because there has been little funding of post-retirement benefit plans, the CAS Board is aware that an immediate period adjustment could result in a claim against the Government for a substantial unfunded actuarial liability.

A third type of extraordinary event that may require special treatment is that of a plant closing or major layoff. Post-retirement benefits do not have the same vesting rights as pensions; i.e., benefits are often not vested until the participant is eligible to retire. From an actuarial perspective, there could be a large termination of employment gain when there is a plant closing or massive layoff. However, the CASB staff presumes that such events would usually coincide with a segment closing. Nevertheless, this presumption may have to be examined further.

Finally, the CAS Board may wish to consider whether the gain or loss from a liability settlement should be treated separately from other asset gains and losses. Any special recognition or acceleration of amortizations would have to be balanced with the treatment of asset gains and losses and the treatment of terminal funding. In fact, since the majority of post-retirement benefit plans are currently unfunded or funded at minimal levels, these settlements are most analogous to terminally funding a previously unrecognized cost.

Issue 68: Should there be special accounting treatment for the effects of the termination of a post-retirement benefit plan? Should the treatment methodology be dependent on whether assets revert to a contractor?

Issue 69: Should there be special accounting treatment for the effects of a post-retirement benefit curtailment?

Issue 70: Should there be special accounting treatment for the effects of the settlement of post-retirement benefit liabilities?

Issue 71: Are there other non-recurring events that should be considered for special accounting treatment?

Issue 72: What methodology; e.g., immediate recognition or accelerated amortization, should be used for the special accounting of these extraordinary events?

a. Should the special accounting treatment differ depending on whether or not the contractual relationship with the Government continues?

b. If the effect of the extraordinary event is treated as an actuarial gain or loss, should the amortization of the gain or loss be accelerated?

c. Should the special accounting treatment apply if only one type of benefit is affected?

Topic J. Adjustments for Segment Closings

In the event a contractor closes a segment, issues regarding how the Government should recognize such events arise. Further, the resolution of this issue may influence how a contractor converts its cost accounting practice for post-retirement benefits from a cash to an accrual basis. Also associated with the issue of any adjustment for segment closings is how the initial unfunded liability is treated.

For pension costing purposes the CAS Board has defined what constitutes a segment closing (see CAS 9904.413). CAS 9904.413 has historically contained a provision requiring an immediate period adjustment of prior pension costs when a segment closing occurs. CAS 9904.416 focuses on typical insurance costs where the practice is to determine costs based on the risk exposure for the upcoming period only. CAS 9904.416 does not provide specific guidance on the recognition of surplus assets accumulated through the advanced funding of retiree insurance when a segment closes.

Any provision concerning treatment of post-retirement benefit costs when a segment closes will have to consider similar questions to those addressed in CAS 9904.413. These questions include: what constitutes a "segment closing"; what is the appropriate adjustment method; and how should the adjustment amount be measured. Any answers to these questions should be consistent or reconciled with CAS 9904.413–50(c)(12).

As previously discussed, there has been little or no funding of the large liabilities of post-retirement benefits. If the concept, which is found in the pension Standards, that segment closing adjustments should cover both over- and under-funded plans is applied in the case of post-retirement benefits, it could immediately create large claims against the Government for unfunded post-retirement benefit liabilities previously not included in costs charged to or priced into contracts. Since neither contractors nor the Government sought the accrual of post-retirement benefit liabilities prior to the promulgation of SFAS 106, there is a question as to the appropriate adjustment recognition for such unfunded post-retirement benefit liabilities when a segment closes. And, there is the practical question as to whether Federal agencies would have budget appropriations available to fully

cover contractor claims for these large unfunded liabilities.

Some may argue that to the extent the Government benefited by not recognizing the accrual of the liability and paid the lower costs that cash accounting produced, the Government bears some responsibility to see that funds are available to secure the benefits earned by long-term government contract employees. According to many, in *Remington Arms, supra*, the Government was held to a higher level of accountability than in many other contracting relationships because the Government was the owner and sole beneficiary of the operations at the GOCO. Furthermore, the special nature of a GOCO arrangement would have allowed the Government to influence the decision whether contract costs were recognized on a cash or accrual basis. In most other cases, where there has not been a long term special relationship and a contractor has made an independent financial decision to use cash accounting, many believe the Government has little, if any, responsibility for the unfunded post-retirement liability.

If accrual accounting is mandated, a reasonable solution may be a transition rule that phases in the recognition of these historically neglected unfunded liabilities. The period of the phase-in should be developed in coordination with provisions for the recognition of the initial unfunded liability. Such a phase-in may provide a balance between the Government's responsibility for increased costs for a mandatory accounting change and a contractor's practice of not recognizing these costs on an accrual basis in the past. The need for special treatment of any unfunded liability derives from the cumulative nature of post-retirement benefit liabilities and distinguishes them from most other costs.

If a contractor is permitted a choice of accounting methods and chooses cash accounting or terminal funding, many would argue that such an election would preclude the contractor from making any claims that the Government share in the unfunded actuarial liability when a segment closes. On the other hand, if accrual accounting is not permitted, the question then becomes what is the Government's responsibility, if any, for the lack of accrual recognition. However, it is difficult to imagine that accrual accounting for a valid liability would not be permitted. And if the liability was not found to be valid, that fact would seem to preclude any claim when a segment closes.

Several contractor representatives have asked that the CAS Board

specifically provide that any adjustment charge for unfunded post-retirement benefit liabilities may be used as an offset to any CAS 9904.413-50(c)(12) adjustment credit for overfunded pension plans. The CASB staff believes that this is not necessary. When a segment closes, any adjustment amount measured for post-retirement benefit plans is to be reported to the parties for consideration when negotiating the overall settlement of costs and credits associated with the segment closing. The parties are expected to negotiate an agreement on the treatment of any post-retirement benefit segment closing adjustment and the CAS 9904.413-50(c)(12) pension adjustment that is equitable based on the facts and circumstances of the particular segment closing.

Finally, if it is decided that an initial unfunded liability is to be excluded from Government contract cost recognition, then that portion of the assets and liabilities which existed when accrual recognition began should be adjusted for interest and excluded from any segment closing adjustment. A similar, but more complicated, exclusion would be needed if all past service liabilities are excluded from cost recognition. The CASB staff notes that such exclusions could limit the need for

an adjustment to simply an accelerated, immediate period adjustment of outstanding experience gain and loss amortization installments. In fact, if the effect of the outstanding gain and loss adjustment does not meet the materiality criteria in CAS 9903.305, there may not be a need for a segment closing adjustment for post-retirement benefits.

Issue 73: Should there be a segment closing adjustment for post-retirement benefit costs? Please explain. Is your answer dependent upon how the conversion, if any, from cash accounting to accrual accounting is handled?

Issue 74: Except for GOCOs, what degree of responsibility does the Government have, if any, for a contractor's past practice of not accruing the costs for post-retirement benefit?

Issue 75: If the Government does have some degree of responsibility, how should the Government recognize that responsibility?

Issue 76: Independent of the *Remington Arms* decision, what degree of responsibility, if any, does the Government have, if any, for a GOCO's past practice of not accruing the costs for post-retirement benefit?

a. How should the Government's responsibility in the case of a GOCO be recognized in any phase-in provision for a segment closing adjustment?

b. Are there any other special contracting relationships that should be considered for similar treatment?

Issue 77: If accrual accounting is permitted, but not mandated, would a contractor's election to use cash accounting or terminal funding preclude the use of accrual accounting to determine the adjustment for a segment closing?

Issue 78: If accrual accounting is not permitted, does the required use of cash accounting or terminal funding preclude the use of accrual accounting to determine the adjustment for a segment closing?

Issue 79: Should there be any explicit coordination between any segment closing adjustment provision for post-retirement benefit costs and the CAS 9904.413-50(c)(12) segment provision closing adjustment for pension costs?

Issue 80: If accrual accounting is permitted, should the treatment of the initial unfunded liability and other elements of past service liability be coordinated with any segment closing adjustment provision? If there is no Government contract cost recognition of the initial unfunded liability, is a coordinated segment closing provision still needed?

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Part III

Department of Education

34 CFR Part 668

Student Assistance General Provisions;
Proposed Rule

DEPARTMENT OF EDUCATION**34 CFR Part 668**

RIN 1840-AC36

Student Assistance General Provisions**AGENCY:** Department of Education.**ACTION:** Notice of Proposed Rulemaking.

SUMMARY: The Secretary proposes to amend the Student Assistance General Provisions regulations by revising the requirement for compliance audits and adding a new subpart establishing financial responsibility standards. The proposed regulations would improve the Secretary's oversight of institutions participating in programs authorized by title IV of the Higher Education Act of 1965, as amended.

DATES: Comments must be received on or before November 4, 1996.

ADDRESSES: All comments concerning these proposed regulations should be addressed to: Mr. David Lorenzo, U.S. Department of Education, P.O. Box 23272, Washington, D.C. 20026, or to the following internet address: fin_resp@ed.gov

A copy of any comments that concern information collection requirements should also be sent to the Office of Management and Budget at the address listed in the Paperwork Reduction Act section of this preamble.

A copy of the report prepared by the firm of KPMG Peat Marwick, LLP (KPMG) referred to in this Notice of Proposed Rulemaking (NPRM) is available for inspection during regular business hours at the following address: U.S. Department of Education, 7th and D Streets S.W., Room 3045, ROB-3, Washington, D.C.

FOR FURTHER INFORMATION CONTACT: Mr. Francis Meyer or Mr. Keith Kistler, U.S. Department of Education, Financial Analysis Branch, Institutional Participation and Oversight Service, 600 Independence Avenue, S.W., Room 3522 ROB-3, Washington, D.C. 20202, telephone (202) 708-4906, for questions regarding financial analysis and other technical questions related to accounting and audits. For other information contact Mr. John Kolotos or Mr. David Lorenzo, U.S. Department of Education, 600 Independence Avenue, S.W., Room 3045 ROB-3, Washington, D.C. 20202, telephone (202) 708-7888. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 between 8 a.m. and 8 p.m., Eastern standard time, Monday through Friday.

SUPPLEMENTARY INFORMATION: The Student Assistance General Provisions regulations (34 CFR part 668) apply to all institutions that participate in the student financial assistance programs authorized by title IV of the Higher Education Act of 1965, as amended (title IV, HEA programs).

The Secretary proposes to revise subpart B as follows: the proposed regulations would eliminate the financial report currently required in § 668.15; revise § 668.23, and include the audit exceptions and repayments requirements now contained in § 668.24 in the new § 668.23. The Secretary also proposes to add a new Subpart L to part 668 by replacing and significantly changing the current ratio standards contained in § 668.15 to include an expanded financial ratio analysis, and standards based on that analysis, as primary tests of financial responsibility; clarify guidance on the entity required to demonstrate financial responsibility; set standards for submitting documentation and demonstrating financial responsibility for foreign institutions; set standards for submitting documents and demonstrating financial responsibility for institutions undergoing a change of ownership; clarify the type of late-refund finding that triggers the refund letter of credit provisions; and make changes to one alternative means of demonstrating financial responsibility.

Tests of financial responsibility based on audited financial statements are necessary to ensure that institutions participating in the title IV, HEA programs possess sufficient financial resources to provide the educational services for which students contract, provide the human and capital resources necessary to administer the title IV, HEA programs, and provide the financial and technical resources necessary to act as a fiduciary for title IV, HEA program funds.

The Secretary intends to issue final rules that will make technical amendments to the appropriate sections of part 668 on or before December 1, 1996, to eliminate conflicting references between those regulations and the proposed § 668.23 and the proposed subpart L of the General Provisions regulations, and to otherwise harmonize the requirements of the proposed § 668.23 and the proposed subpart L with other Federal audit and financial responsibility requirements. In this regard, the Secretary has identified throughout the discussion of proposed changes the major sections of part 668 that would be amended and consolidated.

Background*Statutory and Regulatory History*

The authority to establish reasonable standards of financial responsibility for purposes of determining an institution's eligibility to participate in title IV, HEA programs was first granted the Commissioner of Education by the Education Amendments of 1976—Pub. L. 94-482. The statute was subsequently amended in 1983, 1987, and 1992, mostly with regard to the nature and provision of financial audits.

As a result of the 1992 amendments, the statute currently requires the Secretary to:

- Develop standards to ensure that an institution is able to provide educational services and the necessary administrative resources to comply with program requirements, and that the institution meets its financial obligations (particularly in the area of refunds);

- Determine an institution's financial responsibility on the basis of an examination of operating losses, net worth, operating fund deficits, and asset to liability ratios that takes into account the differences in generally accepted accounting principles that are applicable to for-profit and non-profit institutions;

- Determine whether an institution is financially responsible, despite its failure to meet standards based on the above measures, if that institution can meet certain other criteria, such as the posting of a letter of credit, demonstrating that it is not in danger of recipitous closure, or demonstrating that its liabilities are backed by the full faith and credit of a state or by an equivalent governmental entity;

- Require the annual submission of an audited and certified financial statement as a means of gathering information about financial responsibility and other requirements.

The statute also allows the Secretary, when necessary, and to the extent necessary to protect the financial interests of the United States, to require financial guarantees from institutions, and the assumption of personal liabilities on the part of persons who exercise substantial control over an institution.

Current regulations contain the following requirements:

- That institutions must meet general standards of financial responsibility, including the ability to provide contracted services, to provide necessary administrative resources, to meet all financial obligations with regard to debts, and to meet obligations with regard to federal funds,

particularly refunds. The test for refund responsibility can be met in several different ways.

- That institutions must meet or exceed specific financial tests as indicated on an annual audited financial statement. Some, but not all, of these tests are differentiated among those that apply to for-profit institutions, those that apply to non-profit institutions, and those that apply to public institutions.
- That institutions must meet tests of past performance of an institution, or persons affiliated with the institution.
- That institutions, if they fail to meet particular criteria, must demonstrate financial responsibility according to an alternative method, including posting a letter of credit, demonstrating they are not in danger of precipitous closure, demonstrating they are backed by the full faith and credit of a state or equivalent government entity, or agreeing to be provisionally certified, in order to continue to be eligible to participate in title IV, HEA programs.

Improving Financial Responsibility Standards

The Department is continually evaluating the measures it uses to exercise its statutory oversight of the institutions participating in title IV, HEA programs. In this regard, the Department is interested in improving its oversight of such institutions, based on its experiences with the application of current tests and standards to financial statements. The HEA requires the annual submission of audited financial statements from all institutions that participate in any of the federal student financial assistance programs. Financial statements may be presented in any of several formats depending on the reporting entity's legal status and general purpose financial reporting requirements. Public institutions typically prepare financial statements conforming to the American Institute of Certified Public Accountants (AICPA) Audit Guide for Colleges and Universities, or a governmental accounting model described in Governmental Accounting Standard Board Statement 15. Private nonprofit institutions will follow an accounting model consistent with the Financial Accounting Standards Board (FASB) Statements of Financial Accounting Standards (SFAS) 116 and 117. Additionally, independent hospitals (i.e., medically-related institutions) report under a hospital model, while proprietary institutions, ranging in size and complexity from sole proprietorships to publicly traded multi-national corporations, each

employ a financial reporting model consistent with the complexity of the reporting entity and in conformity with commercial Generally Accepted Accounting Principles (GAAP).

Currently the Secretary, at the direction of Congress, has established specific regulatory tests with respect to certain assets to liability ratios and net worth that measure an institution's financial capabilities. When applied uniformly across the universe of participating proprietary vocational schools, private non-profit colleges and universities, public colleges and universities, and profit and non-profit independent hospitals and health maintenance organizations, these tests provide generally reliable information about the financial health of the institutions examined. The Secretary, however, believes that the kind of information that the Department can extract from financial statements, and standards of financial responsibility based on that information, can be further improved. Such improvements would take into account both the total financial situation of the institution, and the different financial and operational characteristics that exist among commercial enterprises, municipalities, states, private nonprofit organizations and hospitals, each of which may be subject to fundamentally different accounting standards and financial reporting requirements.

For example, the Secretary now employs a limited type of ratio analysis as the principal means of assessing financial responsibility. Generally, these ratios address fundamental concepts such as liquidity, profitability and net worth. Current regulations require institutions to meet certain requirements for each one of these components separately. An institution that fails one test is deemed not financially responsible. In practice, however, the uniform application of independent sets of ratio measures across the universe of participating institutions reduces the reliability of the information gathered, because such an application does not always capture in a comparable fashion all relevant information about the fiscal responsibility of the respective institutions. Differences in accounting classifications and standards among different types of institutions exaggerate the perceived differences in financial strength of those institutions when they are measured under independent standards, even though those institutions may be identical with respect to fiscal responsibility when their total financial situation is taken into account. The current requirements

therefore do not consider whether a weakness in one particular financial component is offset by financial strengths in the other components. For example, there may be instances in which an institution may fail a single measure or test (such as the acid test ratio) but could compensate for that failure by exhibiting strengths in other areas. Accordingly, the Secretary proposes to expand the scope of ratio analysis to take into account a greater range of financial data.

The Secretary also recognizes that the unique characteristics that distinguish the various business segments from one another are significant. As such, while it is appropriate to evaluate institutions within a given business segment by applying a general standard to that business segment, and it is also appropriate to evaluate the same elements of financial health across all business segments, it is difficult to establish comparable financial responsibility levels when applying a single standard across all business segments. The Secretary is committed to developing financial responsibility guidelines that take these differences into consideration. The Secretary is also committed to establishing fair and reasonable standards that measure the common, fundamental elements of financial health of all postsecondary institutions, such that standards developed according to sector-sensitive guidelines can be applied equitably across all sectors.

The KPMG Report

As part of its overall effort to improve its measures of financial responsibility, and as part of the Secretary's overall commitment to improve the quality, efficiency, and effectiveness of its oversight responsibility, the Department of Education commissioned in the Fall of 1995 the accounting firm of KPMG Peat Marwick, LLP to examine the current regulatory measures, and recommend improvements to those measures, especially in terms of taking into account the institution's business sector and total financial condition. The goal of the study was the development of processes, measures and standards the Secretary could use to better assess risk to federal funds through the analysis of financial statements and other documentation.

Over the past 20 years, KPMG has developed a methodology that uses ratios to measure key elements common across all business sectors. These ratios are constructed so that the individual numerators and denominators are defined in such a way that they can be easily drawn from the financial

statements of institutions from different business segments. Drawing upon this methodology and on professional experience and literature in the field, KPMG conducted this study for the Department during the Fall of 1995 and Spring of 1996. As a result of the study, KPMG identified the most significant fundamental elements of financial health in postsecondary institutions—viability, profitability, liquidity, ability to borrow, and capital resources.

After consultation with a task force of individuals from the higher education community as well as other financial experts, and after conducting a reasonableness test of the proposed ratios by applying those ratios to a judgmental sample of institutional financial reports, KPMG recommended the following:

The Secretary adopt three ratios as the primary tests of financial responsibility. These ratios are the *Viability Ratio*, *Primary Reserve Ratio*, and the *Net Income Ratio*. The Viability Ratio is the ability of the institution to liquidate debt from its expendable resources. If the ratio is greater than 1 to 1, existing debt could be repaid from expendable resources available today. The Primary Reserve Ratio measures the ability to support current operations from expendable resources. This ratio provides a snapshot of financial strength and flexibility by comparing expendable resources to total expenditures or expenses, or operating size. This snapshot indicates how long the institution could operate using its expendable reserves without relying on additional net assets generated by operations. The Net Income Ratio measures the ability of an institution to live within its means in a given

operating cycle. A positive Net Income Ratio indicates a surplus or profit for the year. Generally speaking, the larger the surplus or profit, the stronger the institution's financial position as a result of the year's operations. A negative ratio indicates a deficit or loss for the year.

The ratios scores be assigned strength factor values that take into account the differences between sectors, and that reflect the range of financial health. (The KPMG report refers to strength factor values as "threshold values"). A strength factor value of (5) would indicate that, on the basis of that ratio alone, the institution is in exemplary financial health. A strength factor value of (1), on the other hand, indicates that the institution, based on that ratio alone, appears to be in immediate financial difficulty. The strength factor values for each ratio, broken down by sector, are contained in Appendix F of the proposed regulations (which will be codified with those regulations), and a more detailed explanation for these strength factor values is contained in the separate appendix to this Notice of Proposed Rulemaking that will not be codified in final regulations.

The strength factor scores for each institution be summed in accordance with a weighting mechanism that again takes into account the differences among business sectors to create a composite score. For example, public and private non-profit institutions would both have their Primary Reserve ratios weighted most heavily, while for proprietary institutions, the Net Income ratio would be weighted most heavily. This difference reflects the fact that privates and non-profits can and usually do retain expendable resources, while

proprieties can, but usually do not, retain expendable resources. The weighting values for each sector are contained in Appendix F of the proposed regulations, and a fuller explanation of those weightings is contained in the appendix to this Notice of Proposed Rulemaking.

The composite scores be divided into categories that reflect the overall financial position of the institution, which can be used by Departmental analysts to determine the level of risk represented by the institution. For purposes of this proposed rule, however, the only relevant score is that which marks the boundary between those institutions which, by regulation, are financially responsible by this test, and those that are not. As discussed below, the Department is proposing that the appropriate composite score be set at 1.75; i.e., those institutions that receive a composite score of 1.75 or higher would be considered financially responsible by this test (though they still must meet other tests, such as prior performance, in order to be deemed financially responsible), and those that receive a score of less than 1.75 would not be deemed financially responsible by this test. This standard is based on KPMG's conclusion that an institution that attains a composite score of less than 1.75 represents an immediate financial problem.

A more extensive discussion of KPMG's report is contained in the appendix to this Notice of Proposed Rulemaking. The entire report is also available for inspection during regular business hours at the address provided at the beginning of this preamble. The Secretary also invites comments on the KPMG report.

DEFINITIONS OF THE PROPOSED RATIOS

Viability Ratio

Public institutions following the 1973 AICPA audit guide ¹	Public institutions following a government model	Private non-profit hospitals and institutions	Proprietaries	For-profit hospitals
Expendable Fund Balances ² ÷ Plant Debt	Gov't and Proprietary Fund Equity ÷ General Long-Term Debt	Expendable Net Assets ³ ÷ Long-Term Debt ⁴	Adjusted Equity ⁵ ÷ Total Long-Term Debt	Expendable Fund Balances ÷ Long-Term Debt

¹ Public institutions have the option of preparing their statements according to the 1973 AICPA Guide for Colleges and Universities, or the governmental model.

² Expendable Fund Balances are computed as follows: General, specific purpose, and quasi-endowment fund balances—plant equity. True endowments are specifically excluded from the numerator.

³ Expendable Net Assets are calculated as follows:

Unrestricted Net Assets.

Plus Temporarily Restricted Net Assets.

Minus Property, plant and equipment.

Minus Plant debt (including all notes, bonds, and leases payable to finance those fixed assets).

Equals Expendable Net Assets.

⁴ Long-term debt is defined as all amounts borrowed for long-term purposes from third parties and includes: (1) Notes payable, (2) Bonds payable, and (3) Leases payable.

⁵ Adjusted equity is computed as follows:

Total Owner(s) or Shareholders Equity.

Minus Intangible assets.
 Minus Unsecured related party receivables.
 Minus Property, plant and equipment (net of accumulated depreciation).
 Plus Total long-term debt.
 Equals Adjusted Equity.
 If total long-term debt exceeds the value of net property, plant and equipment, then the asset is not subtracted from equity nor is the liability added back.

Primary Reserve Ratio

Publics using the 1973 AICPA audit guide	Publics using a governmental model	Private non-profit hospitals and institutions	Proprietaries	For-profit hospitals
Expendable Fund Balances + Total Expenditures and Mandatory Transfers	Governmental and Proprietary Fund Equity + Total Government Expenditures and other Financing Uses (Excluding Transfers) and Total Proprietary Expenses	Expendable Net Assets + Total Expenses	Adjusted Equity + Total Expenses	Expendable Fund Balances + Total Expenses

Net Income Ratio

Publics using 1973 AICPA audit guide	Publics using a governmental model	Private non-profit hospitals and institutions	Proprietaries	For-profit hospitals
Net Total Revenues + Total Revenues	Proprietary Income Before Operating Transfers, + Gov'tal Revenues and Other Financing Sources (exc. transfers)—Gov't Expenditures and Other Financing Uses (excluding transfers) + Total Governmental and Proprietary Revenues and other Financing Sources (excluding transfers)	Change in Unrestricted Net Assets + Total Unrestricted Income	Income Before Taxes + Total Revenues	Revenue & Gains in Excess of Expenses & Losses (Net Total Revenues) + Total Revenues

The Secretary's Use of the KPMG Report

The Secretary proposes adopting the methodology recommended in the KPMG report to replace the ratio methodology now contained in § 668.15. For the most part, the Secretary proposes this methodology without change in order to seek comment from the community on the merits of this approach. However, in its final report KPMG concluded that a composite score below 1.75 indicates an immediate financial problem, but acknowledged that the identification of a bright line standard for passing or failing the financial responsibility standards was a policy decision that should be made by the Secretary. The Secretary is therefore proposing to adopt the composite score standard of 1.75 as the bright line standard for the ratio test, and to equate a failure to demonstrate financial responsibility with the threshold that KPMG identified as posing a significant risk of immediate financial problems. The Secretary believes that including this methodology in the proposed regulations in this fashion will best utilize the KPMG study, and that any adjustments to the KPMG recommendations and the Secretary's

designation of 1.75 as the cutoff score would best be made with the benefit of public comments.

In addition, the Secretary proposes in this NPRM a number of other changes to the financial responsibility regulations, and to the audit requirements contained in section 668.23. A summary of all these changes follows.

Summary of Proposed Changes

In proposing to move the financial responsibility regulations from § 668.15 to the new Subpart L of Part 668, the Secretary proposes that certain segments of the existing regulations be kept intact, and that significant changes be made in others. A part of these proposed changes is also a revision of § 668.23. A summary of the new locations of existing regulations, proposed changes to regulations, and issues on which the Secretary particularly invites comments follows below.

§ 668.23 Compliance Audits and Audited Financial Statements

In this section, the Secretary proposes to revise the provisions of the current § 668.23 and the audited financial

statement requirements formerly located in § 668.15(e). The Secretary retains the requirement that an institution submit financial statements audited by an independent certified public accountant, and the provision for the submission of working and other papers on demand from the Secretary. However, the Secretary believes that it is possible to provide relief to institutions without compromising the ability of the Department to perform its oversight responsibilities. One way that this may be accomplished is to require institutions to submit a single audit, prepared on a fiscal year basis and audited under Generally Accepted Government Auditing Standards (GAGAS) and including the compliance information. A single compliance audit, prepared on a fiscal year basis rather than on an award year basis, would provide the basic information required by the Secretary for purposes of making a determination of financial responsibility. The Student Financial Assistance Audit Guide (*SFA Audit Guide*) now requires that all institutions submit audited financial statements as part of their compliance audits. For some institutions, particularly those in

the proprietary sector, this has resulted in a requirement that institutions submit these two audited financial statements to the Secretary annually, but at two different times. These audits differ in at least two ways. One way in which they differ is that the financial statement required under the current § 668.15 is to be performed in accordance with Generally Accepted Auditing Standards (GAAS) and the financial statement that is required as part of the compliance audit is to be performed under GAGAS. Under the GAGAS standard, the auditor must go beyond GAAS standards to perform additional tests and express an opinion on the internal control structure and on compliance with all laws and title IV, HEA program regulations. The other difference is that the financial statement required under the current § 668.15 is to be conducted on a fiscal year basis, and the compliance audit is performed on an award year basis.

Thus the Secretary proposes to eliminate the submission of a separate financial statement four months after the end of the entity's fiscal year, as now required in § 668.15. Instead the Secretary proposes that the Department require institutions or third-party servicers to submit the A-128 or A-133 report in the timeframe provided by that guidance, or six months after the end of the institution's or servicer's fiscal year for entities that follow the *SFA Audit Guide*, as required in the proposed § 668.23. This compliance report would now include both the compliance audit and the audited financial statement, would be prepared on a fiscal year basis, and be prepared in accordance with GAGAS. It would be on the basis of the audited financial statement contained in the compliance report, as well as other documentation, that the Secretary would make determinations of financial responsibility by applying this proposed ratio test and other forms of analysis. As a result of this change, the compliance audit of an institution whose fiscal year does not coincide with an award year would cover parts of two award years. The Secretary recognizes that such a change may pose difficulties associated with providing a compliance audit spanning two different award years, but believes that the overall burden reduction for institutions from combining the two audits more than compensates for these difficulties.

The Secretary also proposes a modification of the treatment of the entity covered by the financial statement by clarifying the requirements that trigger the submission of consolidated statements. The Secretary proposes that an institution, as part of its audited financial statement, provide

information regarding the institution's financial relationship with related entities, and that on request the institution must submit consolidated audited financial statements of the institution and related entities.

This proposed section contains audit submission requirements for foreign institutions, discussed below under the heading § 668.176 *Foreign Institutions*. The Secretary also proposes adding a paragraph regarding questionable accounting treatments. Under this proposal, if the Secretary questions an accounting treatment, the Secretary may submit the audit statements that contain those treatments to various bodies, including the AICPA, for review or resolution.

This proposed section contains requirements for a proprietary institution to disclose in a note to its financial statement the proportion of revenues it receives from title IV, HEA programs. This disclosure represents no added burden to the institution, since the auditor will have already prepared the information contained in the note to fulfill the requirements of § 600.5(d) and (e) within 90 days of the end of the institution's fiscal year.

This proposed section also includes the requirements regarding audit exceptions and repayments now contained in § 668.24. Section 668.24 is now being separately amended by the Secretary to include requirements regarding record retention.

Subpart L—Financial Responsibility

§ 668.171 *Scope and Purpose*

In this section the Secretary proposes to revise the scope and purpose statement currently in § 668.15(a) to more accurately reflect the purpose and intent of the law, to clarify the responsibilities of third-party servicers under this subpart, and to include a special transition rule discussed below.

§ 668.172 *Financial Standards*

This section incorporates the requirements currently in § 668.15(b)(1)–(5), and § 668.15(d) regarding financial obligations, refund standards and the alternatives to meeting the statutory refund reserve requirement, as well as the requirement that the institution must submit its compliance report by the date and in the manner prescribed in § 668.23 in order to be considered financially responsible.

The Secretary proposes in this section that a composite score of 1.75, calculated in accordance with § 668.173, be the minimum score an institution can achieve and still be determined financially responsible using the new ratio analysis.

The Secretary is proposing this composite score as a measure of financial responsibility because this score takes into consideration many important variables, with particular emphasis on expendable capital and profitability. A score of less than 1.75 suggests that the overall financial circumstance of the institution is such that one or more of the measured elements is at or below the minimum strength factor value and neither remaining measure is higher than the median strength factor value. Generally, this implies that the institution is having difficulty maintaining a marginal position with respect to financial health and, by at least one measure, it is failing to perform at even a minimal acceptable level. Conversely, marginal institutions that achieve a strength factor value indicating superior performance in any one of the measured elements are likely to achieve a composite score of 1.75 or more despite overall marginal performance. This is based on the assumption that superior performance in any one of the measured elements will, over time, lead to improvements in the other measured elements.

The use of a composite score encompasses the total financial circumstances of the institution examined. Each of the three principal measures attempts to identify a fundamental strength or weakness related to the institution's overall fiscal health. In particular, each factor isolates a critical aspect of fiscal responsibility and measures that element against an established benchmark. It is important to note, however, that no single measure is used. Rather, the measures are blended into a composite score that recognizes the basic differences that exist among the several types of institutions. By taking these differences into consideration, the Secretary is better able to make a determination as to overall institutional fiscal health. The differences among the institutions examined are recognized explicitly through the weighting methodology.

The use of a composite measure represents a departure from the Secretary's current approach to measuring fiscal responsibility. Currently, the Secretary applies similar measures, but individual compliance thresholds for each element are measured exclusively from one another, and not in combination. Under the current regulations, the Secretary implicitly recognizes the relationship among variables and established compliance thresholds for each element separately. The proposed regulations are similar in that poor performance in any one element may lead to a finding of

non-compliance unless other measures are at least at the median performance level. What differs in relation to the current regulations is the recognition that superior performance in one or more fundamental elements of financial health adds a dimension to any analysis of fiscal responsibility that warrants consideration. Thus, with one exception discussed below, strength in one area may be considered to the extent that it offsets weakness in another. The Secretary believes that this better takes into consideration the total financial circumstances of an institution.

There is one proposed exception to the use of the composite score rather than individual ratios as the test of financial responsibility. Because KPMG recommended that a public or private non-profit institution that has a negative Primary Reserve Ratio be deemed an immediate financial problem despite its composite score, the Secretary proposes that in such circumstances the institution not be considered financially responsible under the ratio test. This adjustment is in recognition that a public or private non-profit institution that has a negative Primary Reserve Ratio is in such grave financial difficulty that even exemplary performance in other areas cannot cover for this deficiency.

The Secretary intends to publish on or by December 1, 1996 final regulations resulting from these proposed rules. Because the final regulations would become effective on July 1, 1997, the Secretary is proposing a special transition rule with regard to the implementation of the 1.75 composite score standard. The Secretary would allow an institution under proposed § 668.171(c) a one-year exemption from the new composite score standard if that institution passes the applicable ratio standard test now in place in § 668.15(b)(7)–(9). Thus an institution, for its fiscal year that began on or before June 30, 1997, that fails the 1.75 composite score standard but passes the appropriate ratio standard test contained in the current § 668.15, would still be considered financially responsible for one year. The Secretary believes it is appropriate to allow an institution to prove financial responsibility under the current standards based on the financial condition of the institution during the fiscal year that begins before these proposed rules become effective. Moreover, this one-time transition rule would give the institution at least 12 months to adjust its operations to meet the new standards.

In this section the Secretary also proposes a modification in the refund

reserve requirement performance alternative. Section 498(c)(6) of the HEA requires that institutions maintain a cash reserve to pay required refunds. Current § 668.15(b)(5), and these proposed regulations, require institutions, unless they meet the provisions of specific exceptions, to provide the Secretary with a letter of credit equal to not less than 25% of the title IV, HEA program refunds for their previous fiscal year. One exception to this requirement is the provision for performance standards, in which the institution demonstrates that it has made required refunds, as attested to by the previous two years' compliance audits, and it has not had a finding of failure to make timely refunds. The Secretary wishes to address the issue of a finding of failure to make timely refunds. Without a standard under which such a finding is made, even one late refund may be interpreted as a failure to make timely refunds, and could trigger this requirement. While the Secretary expects all institutions to make all refunds in accordance with the regulations in § 668.22, and will enforce those regulations for every refund, the Secretary did not intend for isolated instances of late refunds to trigger the requirement for the provision of the letter of credit. Therefore, the Secretary is proposing that an institution would be eligible for the performance standard exception to the requirement to providing a 25% letter of credit, if (1) the independent CPA who audited the institution's financial statements and compliance audits, or the Secretary, a State or a guarantee agency that conducted a review of the institution, did not find that the institution made 5 percent or more of its refunds late, based on a sample of records audited and reviewed, and (2) the auditor did not note a material weakness or a reportable condition in the institution's report on internal controls that is related to refunds. The Secretary believes that these standards are reasonable and particularly requests comments on this proposal.

§ 668.173 Financial Ratios

This proposed section incorporates the methodology recommended by the KPMG study and contains the definitions of ratios by sector, and the procedure by which composite ratio scores are calculated. Specific strength factors for normalizing ratio scores and weighting the normalized ratios by sector are contained in the proposed Appendix F to Part 668. The Secretary proposes that these ratios and the resulting composite score replace the

definition of ratios currently contained in § 668.15(b).

This proposed section also contains a definition of "independent hospital" for these purposes, and the accounting rules for calculating ratios previously in § 668.15(b) regarding the treatment of intangibles, extraordinary gains and losses, the income or losses from discontinued operations, cumulative effects of changes in accounting principles, prior period adjustments, and temporarily restricted assets.

The Secretary is particularly interested in comments regarding the definition and utility of these ratios. Are the terms used in defining them clear? Do the ratios themselves provide meaningful and useful information regarding the financial health of an institution? Are the ratios correctly constituted with relation to the different audit requirements of the various sectors of participating institutions? Are the weightings and strength factor levels appropriate for each sector? Will the composite scores give accurate pictures of financial health for all types of institutions? Will the composite scores give relevant and useful information regarding the financial health of institutions? Is the 1.75 composite score an appropriate bright line for determining the financial responsibility of an institution?

Also, the financial strength factors and weightings for hospitals currently reflect the situation of for-profit hospitals. The Secretary is interested in comments addressing the situation of non-profit hospitals, and whether the strength factors and weightings for those institutions should be different from those for for-profit hospitals.

§ 668.174 Alternate Standards and Requirements

The Secretary is proposing to modify and relocate the provisions permitting institutions to demonstrate financial responsibility under an alternative to the proposed composite score. All of the exceptions formerly located in § 668.15(d) are relocated to this section.

In this section the Secretary proposes to modify the method by which an institution demonstrates that it has sufficient assets to ensure against precipitous closure. The existing regulatory provisions implement the statutory exception in section 498(c)(3)(C) of the HEA that permits an institution otherwise failing prescribed ratios to demonstrate financial responsibility by showing that it has sufficient resources to ensure against its precipitous closure. Current regulations mirror certain statutory requirements that the institution demonstrate that it is

meeting its financial obligations, and then require the institution to make specific demonstrations that it has not engaged in certain identified practices that could have caused the institution's deteriorated financial strength. The proposed regulations differ from this detailed analysis by establishing a lower threshold (represented by a composite score of 1.25) in order to qualify for this one-year exception, and then simply requiring the owners (or other persons who exercise substantial control over the institution) to assume personal liability for the institution's title IV obligations, rather than requiring a detailed analysis of the business dealings between the institution and its owners. The Secretary believes that this system will improve the administrative efficiency of implementing this exception and decrease the burden on the institutions using the exception by avoiding the detailed analysis of the business transactions between an institution and its owners. Furthermore, by establishing a separate minimum performance standard for institutions that seek to use this exception, the Secretary intends to ensure that more significant protections will be required for institutions whose financial condition has deteriorated during the preceding year to the point where the institution cannot meet those minimum thresholds. In such circumstances, these institutions must either use one of the other alternative means of demonstrating financial responsibility or be provisionally certified under the provisions for institutions that are not financially responsible.

With regard to financial standards and alternative standards for new institutions, the Secretary proposes that two alternatives enumerated in the statute—the provision of a letter of credit for at least 50% of the proposed title IV program funds that the Secretary determines the institution will receive during its initial year of participation, or proof that the institution is backed by the full faith and credit of a State or equivalent governmental entity—be utilized for new institutions. The requirement of meeting prior year standards precludes new institutions from availing themselves of the revised precipitous closure alternative. The Secretary believes this is warranted due to the greater uncertainty presented by institutions that have not established a track record of properly administering the title IV, HEA programs.

§ 668.175 Special Rules for an Institution That Undergoes a Change in Ownership

In this section the Secretary proposes to specify the requirements by which an institution that undergoes a change of ownership is deemed financially responsible, as well as establishing the audit submission requirements for applications for approval of changes of ownership.

The Secretary is proposing that entities applying for changes of ownership initially demonstrate financial responsibility in one of two ways. Either the new owners of the institution must submit personal financial guarantees, in an amount and form acceptable to the Secretary, or submit a letter of credit payable to the Secretary in an amount of not less than one half the amount of title IV, HEA program funds the Secretary determines the institution will receive during the year following the new ownership's opening day. A requirement for both these methods is that the institution submit a consolidated date of acquisition balance sheet for the institution as part of the institution's application for a change of ownership. The Secretary is also proposing that the personal guarantees or letter of credit remain in place until the institution submits audited financial statements that show that the institution meets the 1.75 composite score standard that is part of the general standards for demonstrating financial responsibility required of all participating institutions.

Historically, the Secretary has encountered difficulties in making comparable assessments of the financial resources for institutions seeking approval under new ownership. Sometimes the institution was sold because of an eroded or deteriorating financial condition. Without an opportunity to evaluate an audited financial statement that includes the operation of the newly acquired institution, the Secretary has had to make case-by-case examinations of the financial resources of the institution under its new ownership. Sometimes, this additional analysis has significantly delayed the approval of the applicant or such approval has been premised upon unaudited financial information that differed significantly from the audited financial statement that was later provided by the institution. The proposed regulations would streamline the approval process and provide greater protection to the taxpayers, while permitting the institution to participate and later demonstrate

financial responsibility under the new proposed ratio analysis.

In addition, the Secretary is concerned that some entities seek multiple approvals for changes of ownership during one fiscal year, and this rapid growth increases the difficulty of assessing the financial resources that would be available to those institutions. The Secretary intends that such applicants will have to provide audited financial statements that incorporate all institutions for which they have already obtained approval to operate as part of the application for a new change of ownership. These proposed regulations therefore require the entity seeking the change of ownership to demonstrate that it has submitted audited financial statements to the Secretary that include all other institutions participating in title IV, HEA programs in which the entity has an ownership interest or over which it exercises substantial control, or to submit a current audited financial statement reflecting such operations and ownership interests. This means that for every change of ownership, the entity seeking the change in ownership would provide personal guarantees or a letter of credit until audited financial statements are submitted to the Secretary showing all the institutions that the entity owns or controls, including the institution or institutions that are the subject of the change of ownership application.

The Secretary is also considering requiring owners to post personal financial guarantees when institutions add additional locations, and these would remain in place until annual audits are submitted showing that the institution demonstrates financial responsibility under its expanded operations. The Secretary specifically invites comments on this proposal.

668.176 Foreign Institutions

In this section the Secretary proposes to clarify financial responsibility standards for foreign institutions. Under the proposed regulation, foreign institutions whose annual title IV participation is less than \$500,000 per year will be permitted to submit their financial statement audits in accordance with the generally accepted accounting principles of each institution's home country. These audits will then be examined to determine financial responsibility. Foreign institutions whose annual title IV participation exceeds \$500,000 per year will be required to have their financial statement audits translated as well as presented for analysis under U.S. GAAP and GAGAS, and would have to meet all

regulatory requirements applicable to domestic institutions.

The Secretary is proposing this standard for foreign institutions to take into consideration several important distinguishing factors. First, foreign institutions are only eligible to participate in the student loan programs, and the relative size of such title IV funding at most institutions is relatively small when compared with their total financial operations. Second, foreign institutions with such relatively low volumes of title IV participation have not historically experienced compliance problems that appear to have resulted from impaired financial capability. Under the proposed regulations, these foreign institutions will provide annual financial statement audits and annual compliance audits that can be evaluated to determine whether an institution's operations are posing a risk to the taxpayers. The Secretary believes that the additional burden of translating the financial statement audits and presenting them under U.S. GAAP and GAGAS should only be imposed where significant amounts of title IV funds are expended at the foreign institution on an annual basis.

§ 668.177 Past Performance

This proposed section contains the requirements for past performance for an institution or persons affiliated with an institution that were formerly contained in § 668.15(c).

§ 668.178 Additional Requirements and Administrative Actions

This proposed section contains an outline of the administrative actions the Secretary takes when an institution fails any one of the various standards of financial responsibility, and specifies that failure to meet general standards of financial responsibility may subject institutions to the Limitation, Suspension, Termination, and Emergency Action provisions of Subpart G of Part 668. This proposed section also contains the portions of § 668.13(d) dealing with requirements and standards pertaining to provisional certification of institutions that are not financially responsible. The Secretary invites comments on whether the Department should include other types of requirements for institutions that are provisionally certified because they are not financially responsible, for example the development of teach-out plans.

With regard to this section, the following clarifies the consequences of not meeting the proposed 1.75 composite score standard (these consequences are also those that

currently affect institutions that fail to meet one of the current ratio standards):

A certified institution whose financial statement is undergoing its annual review, or an institution that is undergoing recertification, would have the opportunity to meet one of the following alternate standards. If it had demonstrated financial responsibility in the previous year, it could prove that it is not in danger of precipitous closure by attaining a composite score of at least 1.25, and showing that it is current in its debt obligations, and if its owners or board of trustees submit personal financial guarantees and agree to be jointly and severally liable for any liabilities arising from the institution's participation in title IV, HEA programs. It could also submit to the Secretary an irrevocable letter of credit for at least 50% of the total title IV, HEA program funds the institution received during its latest fiscal year. A public institution would also have the opportunity to demonstrate that it is backed by the full faith and credit of a State or an equivalent government entity. An institution that meets any of these alternatives would be considered financially responsible. If an institution referred to above cannot or does not meet one of these alternatives, it may be offered provisional certification by the Secretary. In this case the institution would be required to submit to the Secretary an irrevocable letter of credit for at least 10% of the total title IV, HEA program funds the institution received during its latest fiscal year, demonstrate that it met all its financial obligations and was current on its debt payments for its two most recent fiscal years, and demonstrate that it is capable of participating under a funding arrangement other than the Department's advance funding method. An institution that participates under provisional certification in these circumstances is not considered to be financially responsible. If the institution is not offered provisional certification, or turns down provisional certification, the institution would then be subject to termination proceedings.

An institution seeking to participate for the first time in the title IV, HEA programs would have the opportunity to meet one of the following alternate standards. It could submit to the Secretary an irrevocable letter of credit for at least one-half of the amount of title IV, HEA program funds that the Secretary determines the institution will receive during its initial year of participation. A public institution would have the opportunity to demonstrate that it is backed by the full faith and credit of a State or an

equivalent government entity. If the institution could not meet one of these alternative standards, it may be offered provisional certification, the terms of which are described above. If the institution is not offered provisional certification, or turns down provisional certification, it would not be eligible to participate in any title IV, HEA program.

Appendix F

This proposed appendix contains the strength factors and sector weightings for the new ratio analysis, an example of how composite scores are calculated, and a section for technical terms, all adopted from the KPMG report.

In enumerating the strength factors for institutions, the Secretary proposes following KPMG's adjustments by specifying that public and private non-profit institutions that have a negative Primary Reserve Ratio be deemed to fail the composite score test. The Secretary also proposes following KPMG's recommendation that for a proprietary institution that earns a (2) or (1) strength factor for its Primary Reserve Ratio, the strength factor for the Viability Ratio be no greater than the result of the Primary Reserve Ratio. The purpose of this adjustment is to prevent insignificant amounts of debt from significantly affecting the categorization of an institution.

Executive Order 12866

1. Assessment of Costs and Benefits

These proposed regulations have been reviewed in accordance with Executive Order 12866. Under the terms of the order the Secretary has assessed the potential costs and benefits of this regulatory action.

The potential costs associated with the proposed regulations are those resulting from statutory requirements and those determined by the Secretary to be necessary for administering this program effectively and efficiently. To the extent there are burdens specifically associated with information collection requirements, they are identified and explained elsewhere in this preamble under the heading *Paperwork Reduction Act of 1995*.

Thus, in assessing the potential costs and benefits—both quantitative and qualitative—of these proposed regulations, the Secretary has determined that the benefits of the proposed regulations justify the costs.

The Secretary has also determined that this regulatory action does not interfere unduly with State and local governments in the exercise of their governmental functions.

To assist the Department in complying with the specific

requirements of Executive Order 12866, the Secretary invites comment on how to minimize potential costs or to increase potential benefits resulting from these proposed regulations consistent with the purposes of sections 487(c) and 498(c) of the HEA.

Summary of Potential Costs and Benefits

The Department has assessed the costs and benefits of the proposed regulations. This information is provided under the Initial Flexibility Analysis (below), and Summary of the KPMG Report Commissioned by the Department (appended to this NPRM).

2. Clarity of Regulations

Executive Order 12866 requires each agency to write regulations that are easy to understand.

The Secretary invites comments on how to make these regulations easier to understand, including answers to questions such as the following: (1) Are the requirements in the regulations clearly stated? (2) Do the regulations contain technical terms or other wording that interferes with their clarity? (3) Does the format of the regulations (grouping and order of sections, use of headings, paragraphing, etc.) aid or reduce their clarity? Would the regulations be easier to understand if they were divided into more (but shorter) sections? (A "section" is preceded by the symbol "\$" and a numbered heading: For example, § 668.174 *Alternate standards and requirements*.) (4) Is the description of the proposed regulations in the "Supplementary Information" section of the preamble helpful in understanding the proposed regulations? How could this description be more helpful in making the proposed regulations easier to understand? (5) What else could the Department do to make the regulations easier to understand?

A copy of any comments that concern how the Department could make these proposed regulations easier to understand should be sent to Mr. Stanley Cohen, Regulations Quality Officer, U.S. Department of Education, 600 Independence Avenue, S.W., Room 5121, FOB-10, Washington, D.C. 20202-2241.

3. Initial Flexibility Analysis

The Secretary has determined that a substantial number of small entities may experience significant economic impacts from this proposed regulation. In accordance with the Regulatory Flexibility Act (RFA), an Initial Flexibility Analysis (IRFA) of the adverse economic impact on small

entities has been performed. A summary of the IRFA appears below.

Description of the Objectives of, and Legal Basis for, the Rule

The Secretary is directed by section 498(b) of the HEA to establish, on an annual basis, that institutions participating in title IV, HEA programs are financially responsible. As part of the Department's regulatory reinvention process, the Department has analyzed the current standards whereby institutions can demonstrate financial responsibility and found that improvements can be made. The proposed improvements are discussed at length in the preamble to this proposed rule.

Definition and Identification of Small Entities

The Secretary has adopted the U.S. Small Business Administration (SBA) Size Standards for this analysis. RFA directs that small entities are the sole focus of the Regulatory Flexibility Analysis. There are three types of small entities that are analyzed here. They are: for-profit entities with total annual revenue below \$5,000,000; non-profit entities with total annual revenue below \$5,000,000; and entities controlled by governmental entities with populations below 50,000. An estimate of the proportion of entities in each of these categories was calculated using the best available data, the National Center for Education Statistics IPEDS survey for the academic year 1993-1994. These estimates were applied to Department administrative files where no data element for total revenue is available. The estimates are that 1,690 small for-profit entities, 660 small non-profit entities and 140 small governmental entities will be covered by the proposed rule. Where exact data were not available to estimate the proportion of small entities, data elements were chosen that would have overestimated, rather than underestimated, the proportion. The Secretary particularly invites comments on the definition of small entity and the estimate of the number of small entities that would be covered by the proposed rule.

The component of the proposed rule that could potentially cause a small entity to be economically affected is the proposed modification of the tests for financial responsibility that are applied to the submitted financial statements. The proposed consolidation of the financial statement audit with the compliance audit that must be submitted to the Secretary would have a positive economic impact on all small (and large) entities. The proposed

changes to one of the alternative methods of demonstrating financial responsibility would have a positive economic impact on those institutions that choose this alternative (otherwise it would not be chosen) and the Secretary believes that most institutions that would have been able to use the existing alternative method set out in the current regulations would be able to use the modified version. The costs of this alternative and the other existing alternatives are discussed below in the context of those institutions that experience adverse economic impacts.

Compliance Costs of the Proposed Rule for Small Governmental Entities

Small (and large) governmental entities that participate in the SFA programs have a statutory (section 498(c)(3)(B) of the HEA) alternative to the existing and proposed tests for demonstrating financial responsibility. This alternative allows for entities that are backed by the full faith and credit of a State to be considered financially responsible, and to be relieved of any costs of demonstrating financial responsibility. It is the Secretary's practice to identify financial statements from public institutions that appear to fail the numeric financial responsibility standards, and then to determine on a case by case basis whether that institution is backed by the full faith and credit of the state in which it is located. This alternative method of demonstrating financial responsibility is not changed under the proposed regulations, so the proposed rule will not have an increased significant economic impact on small governmental entities.

Compliance Costs of the Proposed Rule for Small For-profit and Small Non-profit Entities

Some small (and large) for-profit and non-profit entities will experience adverse economic impacts from this proposed rule, to the extent that they may fail the proposed standards (including the alternative measures for demonstrating financial responsibility) but would have been able to pass the current standards. Using the KPMG analysis described elsewhere, it was estimated that between 456 and 625 small for-profit entities and between 18 and 80 small non-profit entities would pass the existing test but fail the new proposed tests, and the Secretary seeks to minimize these adverse economic impacts by including in the regulations a provision that will treat an institution that passes the old standards as being financially responsible for any fiscal year that begins prior to the effective

date of the final regulation. To the extent that some of these small entities will be unable to adjust their operations to come into compliance with the new standards beyond that transition period, the negative economic impact on these entities are those costs associated with employing the alternative methods for demonstrating financial responsibility. Costs for adjusting the operation of the institution to come into compliance may, in some cases, be significant, although more difficult to estimate.

The Secretary seeks comments on alternative ways of minimizing burden on small entities. One possible alternative for which the Secretary seeks comment is to delay the effective date of these rules for small entities.

To the extent that an institution that passed the current standards of financial responsibility could no longer do so without posting a surety, a rough estimate of the calculable costs of each of these alternative methods for a typical small entity was calculated. The typical small entity was proposed as one with \$2,000,000 in total revenue, 84% of which comes from the SFA programs. It was not practicable to estimate the cost of obtaining external financing if the required capital was not readily available. This would depend on the risk profile of the particular entity and reliable estimates of this feature were not practicable. This rough estimate is that it could cost a typical small institution as much as \$56,500 to secure a 50% letter of credit, although the actual costs to most institutions would be less if available credit lines or other assets could be pledged against the letter of credit. Similarly, if the institution were allowed to post a smaller surety in conjunction with provisional certification, the 10% letter of credit could cost as much as \$20,500, or less depending on the other available resources that were used to secure the letter of credit. The Secretary notes that the relative cost of providing these letters of credit will correspond to the relative risk assessments made by the banks that provide the letters of credit to the institutions.

The amount it would cost a typical small entity to avail itself of the revised alternative standard for financial responsibility where the institution demonstrates that it has sufficient resources to ensure against its precipitous closure could not be reasonably estimated, but it is assumed that the costs would be smaller than those listed above for institutions that choose this method. These estimates are for the typical institution and the costs experienced by the actual institutions will undoubtedly be different. These

estimates are provided to satisfy the RFA requirements that costs of compliance be described and should be used as illustrative examples only. The Secretary particularly invites comments on these estimates of each of these alternatives for small entities.

Discussion of Adverse Economic Impacts

This analysis has determined that between an estimated 456 and 625 small for-profit entities and between an estimated 18 and 80 small non-profit entities may not initially pass the proposed standards to demonstrate financial responsibility even though these institutions might have passed the current standards. This estimate was derived from information used in the KPMG study that had selectively included a number of schools that had a demonstrated lack of financial responsibility, so the projections in this analysis may overstate the expected number of institutions that are in this category. In order to ameliorate the effects of implementing a new standard for financial responsibility, the proposed regulations include a proposed alternative means to demonstrate financial responsibility under the current standards for fiscal years that began prior to the effective date of the proposed regulation. Institutions not able to come into compliance with the proposed standards following this transition period will experience adverse economic impacts from this proposed regulation, and the relative economic costs these institutions may face if they are required to post a letter of credit are discussed above. Since the proposed regulations provide a better measure of an institution's financial responsibility, the Secretary believes it is necessary to impose these additional costs on institutions that are unable to adjust their operations to meet these ratios, because failure to meet these ratios indicates a heightened risk to students and taxpayers.

The adverse economic impacts experienced by some small (and large) entities is balanced by the positive economic impacts experienced by some small (and large) entities. These positive impacts arise from the ability of the proposed tests to better judge financial responsibility. Between an estimated 138 and 369 small entities that failed the existing tests will pass the new tests because the proposed regulation determines financial responsibility by blending more financial information together into a composite score. These entities that have resources that were not adequately measured under the

regulation will be spared the expense of pursuing alternative demonstrations of financial responsibility.

The negative economic impacts from this proposed regulation will only be felt by those additional entities that are judged to be not financially responsible by the proposed tests but may have been determined to be financially responsible under the current regulations. The Secretary believes that the proposed tests, developed by KPMG through extensive consultations with small (and large) entities, are better determinants of financial responsibility than the existing tests. The use of the proposed tests will enable the Secretary to better meet the responsibilities of section 498(c) of the HEA and to better safeguard the Federal fiscal interests and the interests of students.

Identification of Relevant Federal Rules Which May Duplicate, Overlap, or Conflict With the Proposed Rule

This rule reduces the number of audits which must be submitted to the Secretary by consolidating the financial statement audit with the compliance audit, removing some redundancy in these reporting requirements because financial information about the institution was being gathered separately through both of these submissions. The Secretary has not found any other Federal rules which duplicate, overlap, or conflict with the proposed rule. The Secretary particularly invites comments on other Federal rules which might meet these criteria.

Significant Alternatives That Would Satisfy the Same Legal and Policy Objectives While Minimizing the Economic Impact on Small Entities

The proposed changes to the financial responsibility regulations would satisfy the same legal and policy objectives that are addressed by the current regulations in a manner that the Secretary believes more accurately measures the financial strength of institutions participating in the title IV, HEA programs. This adoption of ratio analysis in conjunction with the revised alternative means for demonstrating financial responsibility will minimize the adverse economic impact on small (and large) entities that choose this alternative. Other alternatives, such as those that would establish differing compliance or reporting requirements or timetables based upon the size of the institution rather than the type of institution, or the use of performance standards rather than establishing baseline measures, or an exemption from coverage of the rule or any part thereof for small entities,

would not adequately discharge the Secretary's obligation under section 498(c) of the HEA to determine the financial responsibility of participating institutions and guard the Federal fiscal interest. The Secretary has determined that there are no other significant alternatives that would satisfy the same legal and policy objectives while minimizing the economic impact on small entities. This determination is based, in part, on the extensive consultation that the Department and KPMG performed with small (and large) entities in developing these proposed revisions. The Secretary particularly invites comments on this determination.

Conclusion

The Secretary concludes that a number of small entities that are able to demonstrate financial responsibility under the current regulations may experience significant adverse economic impacts if they are unable to adjust their operations over time to meet the financial responsibility standards in the proposed rule. However, as discussed in the section referring to the cost-benefit assessment of the proposed rule pursuant to Executive Order 12866, the Secretary has concluded that the costs are outweighed by the benefits of putting in place a better system for measuring financial responsibility. In this case, the benefits are better protection of the Federal fiscal interest due to an improved numerical measure, and a transition to a system that will recognize some small entities as being financially responsible even though they would not pass the tests required under the current regulations.

The Secretary invites comments on any aspect of this analysis, particularly comments on the definition of small entity, the estimated number of institutions that are expected to experience adverse economic impacts, the estimated costs of alternative demonstration of financial responsibility, and any significant alternatives that would satisfy the same legal and policy objectives while minimizing the economic impact on small entities.

Paperwork Reduction Act of 1995

Sections 668.23 and 668.175 contain information collection requirements. As required by the Paperwork Reduction Act of 1995, the Department of Education has submitted a copy of these sections to the Office of Management and Budget (OMB) for its review.

Collection of Information: Financial Responsibility

These regulations affect the following types of entities eligible to participate in the title IV, HEA programs: Educational institutions that are public or nonprofit institutions, and businesses and other for-profit institutions. The information to be collected are audited financial statements, and, for institutions undergoing changes of ownership, consolidating date of acquisition balance sheets. Institutions of higher education that participate in title IV, HEA programs will need this information required by these regulations to meet the eligibility requirements for participation set forth in sections 487 and 498 of the HEA. Institutions must submit annually audited financial statements to the Secretary in accordance the time limits established in either the relevant OMB circular or the *SFA Audit Guide*. This annual submission, already required of institutions and already reflected in the burden hour inventory, will also serve for the separate submission of an annual audited financial statement currently required under § 668.15. For-profit institutions undergoing a change of ownership must also submit consolidating date of acquisition balance sheets with their application for approval of change of ownership. The Secretary needs and uses these audits and balance sheets (in the case of institutions undergoing a change of ownership) to analyze the financial situation of institutions and to determine whether particular institutions have sufficient financial strength to provide the educational services which they have contracted to provide, and to act as fiduciaries for federal student aid.

Information is to be collected, audited, and reported to the Secretary once each year for institutions and third-party servicers covered by § 668.23 and formerly covered by § 668.15. Annual public reporting and recordkeeping burden is estimated to average 1 hour for each response for 8,000 respondents for § 668.23. These hours include the time needed for searching existing data sources, and gathering, maintaining, and disclosing the data. Educational institutions that are public or nonprofit institutions or businesses or other for-profit institutions may participate in the title IV, HEA programs. Institutions of higher education that participate in title IV, HEA programs will need and use the information required by these regulations to meet the eligibility requirements for participation in

programs contained in sections 487 and 498 of the HEA.

Because these proposed regulations would eliminate the separate financial statement submission in § 668.15 there is a reduction in recordkeeping burden of 1 hour per institution, or a total reduction of 10,000 burden hours for the elimination of § 668.15.

Information is to be collected and reported to the Secretary with applications for changes of ownership for institutions covered by § 668.175. Annual public reporting and recordkeeping burden is estimated to average 0.25 hours for each response for an average of 200 responses annually for § 668.175. These hours include the time needed for searching existing data sources, and gathering, maintaining, and disclosing the data. Educational institutions that are businesses or other for-profit institutions will need and use the information required by these regulations to meet the eligibility requirements for participation in programs contained in section 498 of the HEA.

Organizations and individuals desiring to submit comments on the information collection requirements should direct them to the Office of Information and Regulatory Affairs, OMB, Room 10235, New Executive Office Building, Washington, DC 20503; Attention: Desk Officer for U.S. Department of Education.

The Department considers comments by the public on these proposed collections of information in—

- Evaluating whether the proposed collections of information are necessary for the proper performance of the functions of the Department, including whether the information will have practical use;
- Evaluating the accuracy of the Department's estimate of the burden of the collection of information are necessary for the proper performance of the functions of the Department, including whether the information will have practical use;
- Enhancing the quality, usefulness, and clarity of the information to be collected; and
- Minimizing the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques, or other forms of information technology; e.g., permitting electronic submission of responses.

OMB is required to make a decision concerning the collection of information contained in these proposed regulations between 30 and 60 days after publication of this document in the

Federal Register. Therefore, a comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication. This does not affect the deadline for the public to comment to the Department on the proposed regulations.

Invitation to Comment

Interested persons are invited to submit comments and recommendations regarding these proposed regulations.

All comments submitted in response to these proposed regulations will be available for public inspection, during and after the comment period, in Room 3045, Regional Office Building 3, 7th and D Streets S.W., Washington, D.C. between the hours of 8:30 a.m. and 4 p.m., Monday through Friday of each week except Federal Holidays. A copy of the KPMG report will also be available for inspection at this location.

List of Subjects in 34 CFR Part 668

Administrative practice and procedures, Colleges and universities, Reporting and Recordkeeping requirements, Student aid.

Dated: September 11, 1996.

Richard W. Riley,

Secretary of Education.

(Catalog of Federal Domestic Assistance Number: 84.007 Federal Supplemental Educational Opportunity Grant Program; 84.032 Federal Family Educational Loan Program; 84.032 Federal PLUS Program; 84.032 Federal Supplemental Loans for Students Program; 84.033 Federal Work-Study Program; 84.038 Federal Perkins Loan Program; 84.063 Federal Pell Grant Program; 84.069 Federal State Student Incentive Grant Program, and 84.268 Direct Loan Program)

The Secretary proposes to amend part 668 of title 34 of the Code of Federal Regulations as follows:

PART 668—STUDENT ASSISTANCE GENERAL PROVISIONS

1. The authority citation for part 668 continues to read as follows:

Authority: 20 U.S.C. 1085, 1088, 1091, 1092, 1094, 1099c and 1141, unless otherwise noted.

§ 668.13 [Amended]

2. Under § 668.13, paragraph (d) is being removed and paragraphs (e) and (f) are redesignated as paragraphs (d) and (e).

§ 668.15 [Removed and reserved]

3. Section 668.15 is removed and reserved.

4. Section 668.23 is revised to read as follows:

§ 668.23 Compliance audits and audited financial statements.

(a) *General*—(1) *Institutions*. An institution that participates in any title IV, HEA program must at least annually have an independent auditor conduct a compliance audit of its administration of that program. As part of that compliance audit the institution must also have an independent auditor conduct an audit of the institution's general purpose financial statement.

(2) *Third-party servicers*. Except as provided under this part or 34 CFR part 682, with regard to complying with the provisions under this section a third-party servicer must follow the procedures contained in the *SFA Audit Guide* for third-party servicers. A third-party servicer is defined under § 668.2 and 34 CFR 682.200. (The *SFA Audit Guide* is available from the Department of Education's Office of Inspector General.)

(3) *Submission deadline*. Except as provided by the Single Audit Act, Chapter 75 of title 31, United States Code, an institution must submit annually to the Secretary its compliance audit (including its audited financial statement) no later than six months after the last day of the institution's fiscal year.

(4) *Audit submission requirements*. In general, the Secretary considers the compliance audit submission requirements (including those of the audited financial statement) of this section to be satisfied by an audit conducted in accordance with the Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Organizations"; Office of Management and Budget Circular A-128, "Audits of State and Local Governments", or the *SFA Audit Guide*, whichever is applicable to the entity. (Both circulars are available by calling OMB's Publication Office at (202) 395-7332, or they can be obtained in electronic form on the OMB Home Page at (<http://www.whitehouse.gov>).)

(b) Compliance audits for institutions.

(1) An institution's compliance audit must cover, on a fiscal year basis, all title IV, HEA program transactions, and must cover all of those transactions that have occurred since the period covered by the institution's last compliance audit.

(2) The compliance portion of the audit required under this section must be conducted in accordance with—

(i) The general standards and the standards for compliance audits contained in the U.S. General Accounting Office's (GAO's) Government Auditing Standards. (This

publication is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402); and

(ii) Procedures for audits contained in audit guides developed by, and available from, the Department of Education's Office of Inspector General. (These audit guides do not impose any requirements beyond those imposed under applicable statutes and regulations and GAO's Government Auditing Standards.)

(3) The Secretary may require an institution to provide a copy of its compliance audit report to guaranty agencies or eligible lenders under the FFEL programs, State agencies, the Secretary of Veterans Affairs, or nationally recognized accrediting agencies.

(4) An institution that has a compliance audit conducted under this section must—

(i) Give the Secretary and the Inspector General access to records or other documents necessary to review the audit; and

(ii) Require an individual or firm conducting a compliance audit to give the Secretary and the Inspector General access to records, audit work papers, or other documents necessary to review the audit.

(5) An institution must give the Secretary and the Inspector General access to records or other documents necessary to review a third-party servicer's audit.

(c) *Compliance audits for third-party servicers*. (1) A third-party servicer that administers title IV, HEA programs for institutions does not have to have a compliance audit performed if—

(i) The servicer contracts with only one institution; and

(ii) The audit of that institution's administration of the title IV, HEA programs involves every aspect of the servicer's administration of that program for that institution.

(2) A third-party servicer that

contracts with more than one participating institution may submit a single compliance audit report that covers the servicer's administration of the title IV, HEA programs for each institution with which the servicer contracts.

(3) A third-party servicer must submit annually to the Secretary its compliance audit no later than six months after the last day of the servicer's fiscal year.

(4) A third-party servicer must give the Secretary and the Inspector General access to records or other documents necessary to review an institution's compliance audit.

(5) The Secretary may require a third-party servicer to provide a copy of its audit report to guaranty agencies or eligible lenders under the FFEL programs, State agencies, the Secretary of Veterans Affairs, or nationally recognized accrediting agencies.

(6) A third-party servicer that has a compliance audit conducted under this section must—

(i) Give the Secretary and the Inspector General access to records or other documents necessary to review the audit; and

(ii) Require an individual or firm conducting an audit described in this section to give the Secretary and the Inspector General access to records, audit work papers, or other documents necessary to review the audit.

(d) *Audited financial statements*—(1) *General*. To enable the Secretary to make a determination of financial responsibility, as part of its compliance audit an institution must submit to the Secretary a set of financial statements for its latest complete fiscal year. These financial statements must be prepared on an accrual basis in accordance with generally accepted accounting principles, and audited by an independent certified public accountant in accordance with generally accepted government auditing standards and other guidance contained in the Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Organizations"; Office of Management and Budget Circular A-128, "Audits of State and Local Governments"; or the *SFA Audit Guide*, whichever is applicable. As part of these statements, the institution shall include a detailed description of related entities consistent with the definitions in SFAS 57, describing in detail the extent and nature of the related entity's interest, and the structure of the relationship between the institution and the related entity. The Secretary may also require the institution to submit or otherwise make available the accountant's work papers, and to submit additional substantive information.

(2) *Resolution of questionable accounting treatments*. In the event that the Secretary objects to accounting treatments contained in an institution's audited financial statements, the Secretary notifies the institution of the Secretary's concerns, and may refer those financial statements, along with other relevant documents, to the AICPA Committee on Accounting Standards, and other professional bodies and accounting experts for review or resolution.

(3) *Submission of additional financial statements*. (i) To determine whether an institution is financially responsible, the Secretary may also require the institution to submit the audited financial statements of related entities, consolidated financial statements, or full consolidating financial statements based upon the institution's economic relationship to those entities.

(ii) If the Secretary requires the submission of a related entity's financial statement, the Secretary may also require that the statement be supplemented with consolidating schedules showing the consolidation of each of the parent corporation's subsidiaries and divisions (each separate institution participating in the title IV, HEA programs shown separately) intercompany eliminating entries, and derived consolidated totals.

(4) *Audited financial statements for foreign institutions*. As part of an annual compliance audit, a foreign institution must submit—

(i) Audited financial statements conducted in accordance with the generally accepted accounting principles of the institution's home country, if the institution received less than \$500,000 in title IV, HEA program funds during its most recently completed fiscal year; or

(ii) Audited financial statements translated to meet the requirements of paragraph (d) of this section, if the institution received \$500,000 or more in title IV, HEA program funds during its most recently completed fiscal year.

(5) *Disclosure of title IV HEA program revenue*. A proprietary institution must disclose in a footnote to its financial statement the percentage of the title IV, HEA program revenue the institution received during that fiscal year, as calculated in accordance with § 600.5(d);

(6) *Audited financial statements for third party servicers*. A third-party servicer that enters into a contract with a lender or guaranty agency to administer any aspect of the lender's or guaranty agency's programs, as provided under 34 CFR part 682, must submit annually an audited financial statement. This financial statement must be prepared on an accrual basis in accordance with generally accepted accounting principles, and audited by an independent certified public accountant in accordance with generally accepted government auditing standards and other guidance contained in the third party servicer audit guide issued by the Department of Education's Office of Inspector General.

(e) *Notification of questioned expenditures or compliance*. (1) As a

result of a Federal audit or an audit performed at the direction of an institution or third-party servicer, if an expenditure made by the institution or servicer is questioned, or the institution's or servicer's compliance with an applicable requirement (including the lack of proper documentation) is questioned, the Secretary notifies the institution or servicer of the questioned expenditure or compliance.

(2) If the institution or servicer believes that the questioned expenditure or compliance was proper, the institution or servicer shall notify the Secretary in writing of the institution's or servicer's position and the reasons for that position.

(3) The institution's or servicer's response must be based on performing an attestation engagement in accordance with the Standards for Attestation Engagements of the American Institute of Certified Public Accountants and must be received by the Secretary within 45 days of the date of the Secretary's notification to the institution or servicer.

(f) *Determination of liabilities*. (1) Based on the audit finding and the institution's or third-party servicer's response, the Secretary determines the amount of liability, if any, owed by the institution or servicer and instructs the institution or servicer as to the manner of repayment.

(2) If the Secretary determines that a third-party servicer owes a liability for its administration of an institution's title IV, HEA programs, the servicer must notify each institution under whose contract the servicer owes a liability of that determination. The servicer must also notify every institution that contracts with the servicer for the same service that the Secretary determined that a liability was owed.

(g) *Repayments*. (1) An institution or third-party servicer that must repay funds under the procedures in this section shall repay those funds at the direction of the Secretary within 45 days of the date of the Secretary's notification, unless—

(i) The institution or servicer files an appeal under the procedures established in subpart H of this part; or

(ii) The Secretary permits a longer repayment period.

(2) Notwithstanding paragraphs (f) and (g)(1) of this section—

(i) If an institution or third-party servicer has posted surety or has provided a third-party guarantee and the Secretary questions expenditures or compliance with applicable requirements and identifies liabilities, then the Secretary may determine that

deferring recourse to the surety or guarantee is not appropriate because—

(A) The need to provide relief to students or borrowers affected by the act or omission giving rise to the liability outweighs the importance of deferring collection action until completion of available appeal proceedings; or

(B) The terms of the surety or guarantee do not provide complete assurance that recourse to that protection will be fully available through the completion of available appeal proceedings; or

(ii) The Secretary may use administrative offset pursuant to 34 CFR part 30 to collect the funds owed under the procedures of this section.

(3) If, under the proceedings in subpart H, liabilities asserted in the Secretary's notification, under paragraph (e)(1) of this section, to the institution or third-party servicer are upheld, the institution or third-party servicer must repay those funds at the direction of the Secretary within 30 days of the final decision under subpart H of this part unless—

(i) The Secretary permits a longer repayment period; or

(ii) The Secretary determines that earlier collection action is appropriate pursuant to paragraph (g)(2) of this section.

(h) An institution is held responsible for any liability owed by the institution's third-party servicer for a violation incurred in servicing any aspect of that institution's participation in the title IV, HEA programs and remains responsible for that amount until that amount is repaid in full.

(Authority: 20 U.S.C. 1088, 1094, 1099c, 1141 and section 4 of Pub. L. 95-452, 92 Stat. 1101-1109)

5. A new Subpart L is added to read as follows:

Subpart L—Financial Responsibility

Sec.

668.171 Scope and purpose.

668.172 Financial standards.

668.173 Financial ratios.

668.174 Alternate standards and requirements.

668.175 Special rules for an institution that undergoes a change in ownership.

668.176 Foreign institutions.

668.177 Past performance.

668.178 Additional requirements and administrative actions.

Subpart L—Financial Responsibility

§ 668.171 Scope and purpose.

(a) *General.* To begin and to continue to participate in any title IV, HEA program, an institution must demonstrate to the Secretary that it is financially responsible under the

standards established in this subpart. These standards are intended to ensure that a participating institution has the financial resources to—

(1) Deliver its education and training programs to students without interruption; and

(2) Meet its financial and administrative responsibilities to students and to the Secretary.

(b) *Third-party servicers.* (1) The general standards in this subpart apply to a third-party servicer that enters into a contract with a lender or guaranty agency to administer any aspect of the lender's or guaranty agency's programs, as provided under 34 CFR part 682; and

(2) The provisions regarding past performance contained in § 668.177 apply to all third-party servicers.

(c) *Special transition-year rule.* (1) If an institution fails to satisfy the general standards under this subpart solely because it did not achieve a composite score of at least 1.75, as determined under § 668.173, the institution may demonstrate that it is financially responsible under the standards formerly codified under § 668.15 (b)(7) through (b)(9).

(2) An institution may demonstrate that it is financially responsible under the former standards only once, and only for the institution's fiscal year that began on or before June 30, 1997.

(Authority: 20 U.S.C. 1094 and 1099c and Section 4 of Pub. L. 95-452, 92 Stat. 1101-1109)

§ 668.172 Financial standards.

(a) *General standards.* In general, the Secretary considers an institution to be financially responsible if the Secretary determines that—

(1)(i) The institution's Viability, Primary Reserve, and Net Income ratios yield a composite score of at least 1.75, as calculated under § 668.173; and

(ii) For a public or private non-profit institution, that institution has a positive Primary Reserve ratio;

(2) The institution is meeting all of its financial obligations, including but not limited to—

(i) Refunds that it is required to make; and

(ii) Repayments to the Secretary for liabilities and debts incurred in programs administered by the Secretary;

(3) The institution is current in its debt payments. The institution is not current in its debt payments if—

(i) The institution is in violation of any existing loan agreement at its fiscal year end, as disclosed in a note to its audited financial statement; or

(ii) The institution fails to make a payment in accordance with existing debt obligations for more than 120 days,

and at least one creditor has filed suit to recover funds under those obligations; and

(4) In the institution's audited financial statements, the opinion expressed by the auditor was not an adverse opinion or disclaimed opinion, or the auditor did not express doubt about the continued existence of the institution as a going concern.

(b) *Refund standards.* (1) *Letter of credit.* In addition to satisfying the general standards, an institution must submit an irrevocable letter of credit, acceptable and payable to the Secretary, equal to 25 percent of the total amount of title IV, HEA program refunds paid by the institution during its most recently completed fiscal year, unless the institution qualifies for an exemption under this section.

(2) *Exemptions.* An institution is not required to submit the letter of credit described in paragraph (b)(1) of this section, if—

(i) The institution's liabilities are backed by the full faith and credit of the State, or by an equivalent government entity;

(ii) The institution is located in a State that has a tuition recovery fund approved by the Secretary and the institution contributes to that fund; or

(iii) The institution demonstrates that it made its title IV, HEA program refunds within the time permitted under § 668.22 during its two most recently completed fiscal years. The Secretary considers an institution to qualify for this exemption if the independent CPA who audited the institution's financial statements and compliance audits for either of those fiscal years, or the Secretary or a State or guaranty agency that conducted a review of the institution during those fiscal years—

(A) Did not find that the institution made 5 percent or more of its refunds late, based on the sample of records audited or reviewed; and

(B) Did not note a material weakness or a reportable condition in the institution's report on internal controls that is related to refunds.

(3) *Failure to make timely refunds.* (i) If the Secretary or a State or guaranty agency determines in a review conducted of the institution that the institution no longer qualifies for an exemption under this section, the institution must—

(A) Submit the irrevocable letter of credit to the Secretary no later than 30 days after the Secretary, or State or guaranty agency notifies the institution of that determination; and

(B) Notify the Secretary of the guaranty agency or State that conducted that review.

(ii) If an auditor determines in the institution's annual compliance audit that the institution no longer qualifies for an exemption under this section, the institution must submit the irrevocable letter of credit to the Secretary no later than 30 days after the date the institution's compliance audit must be submitted to the Secretary.

(4) *State tuition recovery funds.* In determining whether to approve a State's tuition recovery fund, the Secretary considers the extent to which that fund—

- (i) Provides refunds to both in-State and out-of-State students;
- (ii) Allocates all refunds in accordance with the order required under § 668.22; and
- (iii) Provides a reliable mechanism for the State to replenish the fund should any claims arise that deplete the fund's assets.

(Authority: 20 U.S.C. 1094 and 1099c and Section 4 of Pub. L. 95-452, 92 Stat. 1101-1109)

§ 668.173 Financial ratios.

(a) *Composite score.* As detailed in Appendix F, the Secretary determines an institution's composite score by—

- (1) Calculating the Viability, Primary Reserve, and Net Income ratios, as described in paragraph (b) of this section;
- (2) Assigning a strength factor to each ratio that corresponds to the value of each of those ratios;
- (3) Multiplying the assigned strength factor by the appropriate weighting percentage for each ratio; and
- (4) Summing the resulting products of all three ratios.

(b) *Ratios.* (1) *Public institutions.* (i) As detailed in Appendix F, the ratios for public institutions using the 1973 AICPA Audit Guide for Colleges and Universities are calculated as follows:

Viability ratio=Expendable Fund Balances÷Plant Debt
 Primary Reserve ratio=Expendable Fund Balances÷Total Expenditures and Mandatory Transfers
 Net Income ratio=Net Total Revenues÷Total Revenues

(ii) As detailed in Appendix F, the ratios for public institutions using a governmental accounting model are calculated as follows:

Viability Ratio=Governmental and Proprietary Fund Equity÷General Long-Term Debt
 Primary Reserve Ratio=Governmental and Proprietary Fund Equity÷Total Governmental Expenditures and Other Financing Uses (excluding transfers) and Total Proprietary Expenses

Net Income Ratio=Proprietary Income Before Operating Transfers, +Governmental Revenues and Other Financing Sources (excluding transfers) – Governmental Expenditures and Other Financing Uses (excluding transfers)÷Total Governmental and Proprietary Revenues and Other Financing Sources (excluding transfers)

(2) *Private non-profit institutions.* As detailed in Appendix F, the ratios for private non-profit institutions are calculated as follows:

Viability ratio=Expendable Net Assets÷Long-term Debt
 Primary Reserve ratio=Expendable Net Assets÷Total Expenses
 Net Income ratio=Change in Unrestricted Net Assets÷Unrestricted Income

(3) *Proprietary institutions.* As detailed in Appendix F, the ratios for proprietary institutions are calculated as follows:

Viability ratio=Adjusted Equity÷Total Long-term Debt
 Primary Reserve ratio=Adjusted Equity÷Total Expenses
 Net Income ratio=Income Before Taxes÷Total Revenues

(4) *Independent hospitals.* (i) As detailed in Appendix F, the ratios for non-profit independent hospitals are calculated as follows:

Viability ratio=Expendable Net Assets÷Long-term Debt
 Primary Reserve ratio=Expendable Net Assets÷Total Expenses
 Net Income ratio=Change in Unrestricted Net Assets÷Unrestricted Income

(ii) As detailed in Appendix F, the ratios for for-profit independent hospitals are calculated as follows:

Viability ratio=Expendable Fund Balances÷Long-term Debt
 Primary Reserve ratio=Expendable Fund Balances÷Total Expenses
 Net Income ratio=Revenue & Gains in Excess of Expenses and Losses (Net Total Revenue)÷Total Revenues

(c) *Ratio values, strength factors and weighting percentages.* Appendix F contains—

- (1) The ratio values and corresponding strength factors and weighting percentages for each type of institution under paragraph (b) of this section;
- (2) Additional information regarding the calculation of certain ratios; and
- (3) The conditions under which an adjustment may be made to the strength factors or weighting percentages in determining an institution's composite score.

(d) *Special definition.* For purposes of this subpart, an independent hospital is an institution that—

(1) Is not controlled by, or included in the financial statement of, another institution; and

(2) Prepares its financial statements under the accounting standards established in the AICPA's *audit guide for Audits of Health Care Organizations*.

(e) *Special rules for calculating ratios and determining financial responsibility.* For purposes of calculating the ratios defined in this section, and for purposes of determining whether an institution qualifies as financially responsible under an alternative method contained in this subpart, the Secretary—

- (1) Excludes all unsecured or uncollateralized related-party receivables;
- (2) Excludes all intangible assets defined as intangible in accordance with generally accepted accounting principles; and
- (3) May exclude—
 - (i) Extraordinary gains or losses;
 - (ii) Income or losses from discontinued operations;
 - (iii) Prior period adjustment; and
 - (iv) The cumulative effect of changes in accounting principles.

(Authority: 20 U.S.C. 1094 and 1099c and Section 4 of Pub. L. 95-452, 92 Stat. 1101-1109)

§ 668.174 Alternate standards and requirements.

(a) *Alternatives for participating institutions.* A currently participating institution that fails to achieve a composite score of at least 1.75 may demonstrate to the Secretary that it is nevertheless financially responsible if—

(1) The institution's liabilities are backed by the full faith and credit of a State, or by an equivalent government entity;

(2) The institution submits an irrevocable letter of credit, that is acceptable and payable to the Secretary, for an amount equal to not less than one-half of the title IV, HEA program funds received by the institution during its most recently completed fiscal year; or

(3)(i) The owners, board of trustees, or other persons or entities who under § 668.177(c) exercise substantial control over the institution—

(A) Submit to the Secretary personal financial guarantees acceptable to the Secretary; and

(B) Agree to be jointly and severally liable for any liabilities that may arise from the institution's participation in the title IV, HEA programs.

(ii) The Secretary considers an institution to qualify under this alternative only if—

(A) The institution achieves a composite score of at least 1.25, based on its current fiscal year audited financial statements;

(B) The institution satisfied all of the general standards under § 668.172(a) in its previous fiscal year, based on that year's audited financial statements;

(C) The persons or entities providing financial guarantees submit to the Secretary their personal financial statements; and

(D) The institution convinces the Secretary that it will not close precipitously by demonstrating to the Secretary that it has sufficient resources to meet all of its financial obligations, including its obligations to students and to the Secretary, based on the institution's current fiscal year audited financial statements and the personal financial statements of the persons or entities providing personal financial guarantees.

(b) *Alternatives for new institutions.* If an institution seeking to participate for the first time in the title IV, HEA programs fails to satisfy any of the general standards, the institution may demonstrate that it is financially responsible if—

(1) The institution's liabilities are backed by the full faith and credit of a State, or by an equivalent government entity; or

(2) The institution submits an irrevocable letter of credit acceptable and payable to the Secretary, for at least one-half of the amount of title IV, HEA program funds that the Secretary determines the institution will receive during its initial year of participation.

(Authority: 20 U.S.C. 1094 and 1099c and Section 4 of Pub. L. 95-452, 92 Stat. 1101-1109)

§ 668.175 Special rules for an institution that undergoes a change in ownership.

(a) *General standards for financial responsibility.* The Secretary considers an institution that undergoes a change in ownership that results in a change of control, as described under 34 CFR 600.31, to be financially responsible only if the persons or entities that acquired an ownership interest in the institution, or that exercise substantial control over the institution, submit a consolidating date of acquisition balance sheet for the institution with their application for approval, and—

(1)(i) Submit to the Secretary personal financial guarantees from the owners, supported by personal financial statements, in an amount and form acceptable to the Secretary; or

(ii) Submit an irrevocable letter of credit acceptable and payable to the Secretary, for at least one-half of the amount of title IV, HEA program funds that the Secretary determines the institution will receive during the year following its date of acquisition.

(2) Personal financial guarantees or letters of credit submitted under this section will remain in place until the institution submits audited financial statements, prepared in the manner prescribed by § 668.23, showing that the institution attains a composite score of at least 1.75.

(b) *Audit requirements for changes of ownership applications.* An entity that seeks approval of a change in ownership—

(1) Must demonstrate that it has submitted to the Secretary an audited financial statement fulfilling the requirements of § 668.23 that includes all entities in which it holds an ownership interest, or over which it exercises substantial control; or

(2) Must submit a current audited financial statement acceptable to the Secretary that includes all entities in which it holds an ownership interest or over which it exercises substantial control, if the latest financial statement it submitted to the Secretary in fulfillment of the requirements of § 668.23 does not include, as of the date of the acquisition of the institution for which it seeks an approval of change of ownership, all entities in which it holds an ownership interest or over which it exercises substantial control.

(Authority: 20 U.S.C. 1094 and 1099c and Section 4 of Pub. L. 95-452, 92 Stat. 1101-1109)

§ 668.176 Foreign institutions.

The Secretary makes a determination of financial responsibility for a foreign institution on the basis of financial statements submitted under the following requirements—

(a) If the institution received less than \$500,000 U.S. in title IV, HEA program funds during its most recently completed fiscal year, the institution must submit its audited financial statement for that year. For purposes of this paragraph, the audited financial statements may be prepared under the auditing standards and accounting principals used in the institution's home country; or

(b) If the institution received \$500,000 U.S. or more in title IV, HEA program funds during its most recently completed fiscal year, the institution must submit its audited financial statement in accordance with the requirements of § 668.23, and satisfy the

general standards or qualify under an alternate standard under this subpart.

(Authority: 20 U.S.C. 1094 and 1099c and Section 4 of Pub. L. 95-452, 92 Stat. 1101-1109)

§ 668.177 Past performance.

(a) *Past performance of an institution or persons affiliated with an institution.* The Secretary does not consider an institution to be financially responsible if—

(1) A person who exercises substantial control over the institution or any member or members of the person's family alone or together—

(i)(A) Exercises or exercised substantial control over another institution or a third-party servicer that owes a liability for a violation of a title IV, HEA program requirement; or

(B) Owes a liability for a violation of a title IV, HEA program requirement; and

(ii) That person, family member, institution, or servicer does not demonstrate that the liability is being repaid in accordance with an agreement with the Secretary; or

(2) The institution has been limited, suspended, terminated, or entered into a settlement agreement to resolve a limitation, suspension, or termination action initiated by the Secretary or a guaranty agency (as defined in 34 CFR part 682) within the preceding five years; or

(3) The institution had—

(i) An audit finding, during its two most recent compliance audits of its conduct of the title IV, HEA programs, that resulted in the institution's being required to repay an amount greater than five percent of the funds that the institution received under the title IV, HEA programs for any fiscal year covered by the audit;

(ii) A program review finding, during its two most recent program reviews of its conduct of the title IV, HEA programs, that resulted in the institution's being required to repay an amount greater than five percent of the funds that the institution received under the title IV, HEA programs for any year covered by the program review;

(iii) Been cited during the preceding five years for failure to submit acceptable audit reports required under this part, or individual title IV, HEA program regulations, in a timely fashion; or

(iv) Failed to resolve satisfactorily any compliance problems identified in program review or audit reports based upon a final decision of the Secretary issued pursuant to subpart G or subpart H of this part.

(b) *Correcting past performance.* The Secretary may determine an institution to be financially responsible even if the institution is not otherwise financially responsible under paragraph (a) of this section if—

(1) The institution notifies the Secretary, in accordance with 34 CFR 600.30, that the person referenced in paragraph (a)(1)(i) of this section exercises substantial control over the institution; and

(2)(i) The person repaid to the Secretary a portion of the applicable liability, and the portion repaid equals or exceeds the greater of—

(A) The total percentage of the ownership interest held in the institution or third-party servicer that owes the liability by that person or any member or members of that person's family, either alone or in combination with one another;

(B) The total percentage of the ownership interest held in the institution or servicer that owes the liability that the person or any member or members of the person's family, either alone or in combination with one another, represents or represented under a voting trust, power of attorney, proxy, or similar agreement; or

(C) Twenty-five percent of the applicable liability, if the person or any member of the person's family is or was a member of the board of directors, chief executive officer, or other executive officer of the institution or servicer that owes the liability, or of an entity holding at least a 25 percent ownership interest in the institution that owes the liability, and provided that the person or any member of the person's family did not hold more than a twenty-five percent ownership interest in the institution or servicer that owes the liability.

(ii) The applicable liability described in paragraph (a)(1) of this section is currently being repaid in accordance with a written agreement with the Secretary; or

(iii) The institution demonstrates why—

(A) The person who exercises substantial control over the institution should nevertheless be considered to lack that control; or

(B) The person who exercises substantial control over the institution and each member of that person's family nevertheless does not or did not exercise substantial control over the institution or servicer that owes the liability.

(c) *Ownership Interest.* (1) An ownership interest is a share of the legal or beneficial ownership or control of, or a right to share in the proceeds of the

operation of, an institution, institution's parent corporation, a third party servicer, or a third party servicer's parent corporation. The term "ownership interest" includes, but is not limited to—

(i) An interest as tenant in common, joint tenant, or tenant by the entirety;

(ii) A partnership; and

(iii) An interest in a trust.

(2) The term "ownership interest" does not include any share of the ownership or control of, or any right to share in the proceeds of the operation of a profit-sharing plan, provided that all employees are covered by the plan.

(3) The Secretary generally considers a person to exercise substantial control over an institution or third party servicer, if the person—

(i) Directly or indirectly holds at least 20 percent ownership interest in the institution or servicer;

(ii) Holds together with other members of his or her family, at least a 20 percent ownership interest in the institution or servicer;

(iii) Represents either alone or together with other persons, under a voting trust, power of attorney, proxy, or similar agreement one or more persons who hold, either individually or in combination with the other persons represented or the person representing them, at least a 20 percent ownership interest in the institution or servicer; or

(iv) Is a member of the board of directors, the chief executive officer, or other executive officer of—

(A) The institution or servicer; or

(B) An entity that holds at least a 20 percent ownership interest in the institution or servicer; and

(4) The Secretary considers a member of a person's family to be a parent, sibling, spouse, child, spouse's parent or sibling, or sibling's or child's spouse.

(Authority: 20 U.S.C. 1094 and 1099c and Section 4 of Pub. L. 95-452, 92 Stat. 1101-1109)

§ 668.178 Additional requirements and administrative actions.

(a) *Limitations, Suspensions, and Terminations.* The Secretary may initiate an action under subpart G of this part to limit, suspend, or terminate an institution's participation in the title IV, HEA programs if—

(1) The institution does not submit its audited financial statements by the date permitted and in the manner required under § 668.23; or

(2) The institution does not demonstrate that it is financially responsible under this subpart by satisfying the general standards or qualifying under an alternative standard, unless the Secretary permits

the institution to participate under a provisional certification, as provided under § 668.13(c).

(b) *Participation of institutions that are not deemed financially responsible.*

(1) The Secretary may permit an institution that is not financially responsible under paragraph (a)(2) of this section to participate under a provisional certification if—

(i) The institution submits to the Secretary an irrevocable letter of credit, that is acceptable and payable to the Secretary, for an amount equal not less than 10 percent of the title IV, HEA program funds received by the institution during its most recently completed fiscal year; and

(ii) If the institution demonstrates that it met all of its financial obligations and was current on its debt payments, as required under § 668.172(a)(2), for its two most recent fiscal years.

(2) The Secretary provides title IV, HEA program funds to an institution provisionally certified under this paragraph by reimbursement, as described under subpart K of this part, or under a funding arrangement other than the advance funding method.

(c) *Financial responsibility standards under provisional certification.* The Secretary may permit an institution described under paragraph (d) of this section to participate or to continue to participate under a provisional certification, only if the owners, board of trustees, or other persons or entities who under § 668.177(c) exercise substantial control over the institution—

(1) Submit to the Secretary their personal financial statements and personal financial guarantees for an amount acceptable to the Secretary;

(2) Agree to be jointly and severally liable for any liabilities that may arise from the institution's participation in the title IV, HEA programs; and

(3) Convince the Secretary that the institution will not close precipitously by demonstrating to the Secretary that it has sufficient resources to meet all of its financial obligations, including its obligations to students and to the Secretary, based on the institution's current fiscal year audited financial statements and the personal financial statements of the persons or entities providing personal financial guarantees.

(d) *Provisional certification for failure to meet financial responsibility standards.* The institution referred to under paragraph (c) of this section is an institution that—

(1) Is not financially responsible because of an adverse action taken by the Secretary, a material finding in prior audit or review, or because the institution failed to resolve satisfactorily

any compliance problems, as described under § 668.177(a) (2) and (3); or

(2) Is not currently financially responsible because it failed to satisfy all the general standards or qualify under an alternate standard under this subpart, and for this reason was

certified provisionally at any time during the preceding 5 years.

(Authority: 20 U.S.C. 1094 and 1099c and Section 4 of Pub. L. 95-452, 92 Stat. 1101-1109)

5. A new Appendix F is added to part 668 to read as follows:

Appendix F—Financial Responsibility

This appendix contains the strength factors and weightings used to calculate composite ratio scores, the procedure for and an example of calculating a composite score, and technical definitions.

A. Strength Factors:

(1) PUBLIC INSTITUTIONS

Strength factor	1	2	3	4	5
Viability Ratio	<.50	.50-.99	1.0-1.99	2.0-3.99	≥4.0
Primary Reserve Ratio	<.10	.10-.19	.20-.44	.45-.69	≥.70
Net Income Ratio	<0	0-.009	.01-.029	.03-.049	≥.05

Additional Strength Factor Adjustment: If a public institution has a negative (less than zero) Primary Reserve Ratio result, the institution will be deemed as not financially responsible under the general standards contained in § 668.172(a).

(2) PRIVATE NON-PROFIT INSTITUTIONS THAT HAVE ADOPTED FASB STATEMENTS 116 AND 117

Strength factor	1	2	3	4	5
Viability Ratio	<.75	.75-1.74	1.75-2.74	2.75-4.74	≥4.75
Primary Reserve Ratio	<.30	.30-.49	.50-.99	1.00-1.49	≥1.5
Net Income Ratio	<0	0-.019	.02-.049	.05-.079	≥.08

Additional Strength Factor Adjustment: If a private non-profit institution has a negative (less than zero) Primary Reserve Ratio result, the institution will be deemed as not financially responsible under the general standards contained in § 668.172(a).

(3) PRIVATE NON-PROFIT INSTITUTIONS THAT HAVE NOT ADOPTED FASB STATEMENTS 116 AND 117

Strength factor	1	2	3	4	5
Viability Ratio	<.50	.50-.99	1.0-1.99	2.0-3.99	≥4.0
Primary Reserve Ratio	<.10	.10-.29	.30-.64	.65-.99	≥1.00
Net Income Ratio	<0	0-.009	.01-.029	.03-.049	≥.05

Additional Strength Factor Adjustment: If a private non-profit institution has a negative (less than zero) Primary Reserve Ratio result, the institution will be deemed as not financially responsible under the general standards contained in § 668.172(a).

(4) PROPRIETARY INSTITUTIONS

Strength factor	1	2	3	4	5
Viability Ratio	<.50	.50-.99	1.0-1.99	2.0-3.99	≥4.0
Primary Reserve Ratio	<.10	.10-.29	.30-.49	.50-.69	≥.70
Net Income Ratio	<.02	.02-.049	.05-.079	.08-.119	≥.12

Additional Strength Factor Adjustment: If a proprietary institution earns a strength factor of two (2) or one (1) for its Primary Reserve Ratio, the strength factor for the Viability Ratio will be no greater than the strength factor for its Primary Reserve Ratio. The purpose of this adjustment is to prevent insignificant amounts of debt from significantly affecting the categorization of an institution.

(5) INDEPENDENT HOSPITALS

Strength factor	1	2	3	4	5
Viability Ratio	<.50	.50-.99	1.0-1.99	2.0-3.99	≥4.0
Primary	<.10	.10-.29	.30-.64	.65-.99	≥1.00
Net Income	<0	0-.009	.01-.029	.03-.049	≥.05

B. Weighting Factors:

Institutions	Private non-profits (percent)	Public non-profits (percent)	Proprietaries (percent)	Hospitals (percent)
Viability Ratio	35	35	30	40
Primary Reserve Ratio	55	55	20	20
Net Income Ratio	10	10	50	40
Totals	100	100	100	100

Additional Adjustments

Private and Public Non-Profits—If the institution has no debt, only the Primary Reserve and Net Income ratios are used, weighted 90% and 10% respectively.

Proprietaries—If the institution has no debt, only the Primary Reserve and Net Income ratios are used, weighted 50% each.

Hospitals: If the institution has no debt, only the Primary Reserve and Net Income ratios are used, weighted 60% and 40% respectively.

C. Computing the Composite Score.

Procedure

1. Calculate the Viability, Primary Reserve, and Net Income ratios.

2. Assign the appropriate strength factor to each ratio.

3. Multiply the assigned strength factors by the appropriate weighting percentage for each ratio.

4. Sum the resulting products of all three ratios to derive the composite score.

Example:

1. A public institution has the following ratio results:

Viability Ratio: $\text{Expendable Fund Balances} \div \text{Plant Debt} = 0.60$

Primary Reserve Ratio: $\text{Expendable Fund Balances} \div \text{Total Expenditures \& Mandatory Transfers} = 0.40$

Net Income Ratio: $\text{Net Total Revenues} \div \text{Total Revenues} = -0.008$

2. These results are assigned a strength factor in accordance with the appropriate chart in part A of this appendix. Thus, for the public institution in this example:

A Viability Ratio of 0.60 corresponds to a strength factor of 2.

A Primary Reserve Ratio of 0.40 corresponds to a strength factor of 3.

A Net Income Ratio of -0.008 corresponds to a strength factor of 1.

3. The strength factors are then weighted in accordance with the chart in part B of this appendix. For the public institution in this example:

The Viability Ratio strength factor of 2 is weighted at 35%: $2 \times 35 = 0.70$

The Primary Reserve Ratio strength factor of 3 is weighted at 55%: $3 \times 55 = 1.65$

The Net Income Ratio strength factor is weighted at 10%: $1 \times 10 = 0.10$

4. The weighted results are then summed:

Weighted Viability Ratio70
Weighted Primary Reserve Ratio 1.65
Weighted Net Income Ratio +.10

Composite Score 2.45

D. Technical Definitions.

For Private Non-Profit Institutions

Expendable Net Assets are calculated as follows:

Plus Unrestricted Net Assets.
Temporarily Restricted Net Assets.
Minus Property, plant and equipment.
Minus Plant debt (including all notes, bonds, and leases payable to finance those fixed assets).

Equals Expendable Net Assets.

For Proprietary Institutions

Adjusted Equity is computed as follows:

Total Owner(s) or Shareholders Equity.
Minus Intangible Assets.
Minus Unsecured Related Party Receivables.
Minus Property, Plant and Equipment (Net of Accumulated Depreciation).
Plus Total Long-Term Debt.

Equals Adjusted Equity.

If Total Long-Term Debt exceeds the value of Net Property, Plant and Equipment, then the asset is not subtracted from equity nor is the liability added back to equity.

Total Long-Term Debt is comprised of all debt obtained for long-term purposes. The short-term portion of any long-term debt is included.

For Independent Hospitals

Expendable Net Assets are the general, specific purpose and quasi-endowment fund balances, less plant equity. True endowments are specifically excluded from the numerator.

Long-term Debt is notes payable, bonds payable, leases payable, and other long-term debt. Total Expenses are retrieved from the Statement of Revenue

and Expenses of General Funds and is comprised of all expenses.

Appendix to the NPRM

Note: This appendix will not appear in the Code of Federal Regulations.

Summary of the KPMG Report
Commissioned by the Department

As part of its overall effort to improve its measures of financial responsibility, and as part of the Department's overall commitment to improve the quality, efficiency, and effectiveness of its oversight responsibility, the Department, in the Fall of 1995, commissioned the accounting firm of KPMG Peat Marwick, LLP to examine the current regulatory measures, and recommend improvements to those measures. KPMG was to assist the Department in developing an improved methodology, using financial ratios, that could be used as a screening device to identify financially troubled institutions and as a mechanism for efficiently exercising its financial oversight responsibility. For such a methodology to be effective, it would have to measure an institution's total financial condition, accommodate different organizational structures and missions of participating institutions, and reflect the different accounting and reporting requirements to which participating institutions are subject. The overall goal of the study was the development of processes, measures and standards the Department could use to better assess risk to federal funds through the analysis of financial statements and other documentation.

This study included the following elements:

- Analyses of existing financial reports using current standards, and using an alternative, expanded ratio analysis;
- The development of a new methodology that includes the use of an expanded set of specific ratios;
- The submission of that methodology to a task force and other outside reviewers for comment regarding the applicability of the ratios as measures, the definitions of the ratios, the treatment of particular accounting statements, the weighting of ratios in the construction of a composite score, and a ranking of composite scores that yields a category denoting institutions that would be considered, in the professional judgment of accountants, to be financial risks. More than a dozen reviewers participated, and included representatives from accounting firms, professional accounting associations, financial experts from the business community, officers of professional

education associations, and institutional financial officers and auditors.

- The subsequent refinement and retesting of the recommended methodology and standards, and the resubmission of that methodology and set of standards to the reviewers.

Problems of Reporting and Accounting Standards for Different Business Segments

One of the problems to be dealt with in the study was that of different reporting standards for different business segments. The financial responsibility regulations cover four segments in its regulation of participating institutions: public institutions, private non-profit institutions, proprietary institutions, and independent hospitals. The following summarizes differences in reporting standards.

Public institutions generally prepare financial statements in accordance with Statement No. 15 of the Governmental Accounting Standards Board.

Private non-profit institutions historically have prepared their financial statements consistent with the 1973 AICPA Audit Guide for Colleges and Universities. Those financial statements were similar, in most respects, to those prepared by public institutions. However, in 1993 the Financial Accounting Standards Board (FASB) issued two statements, Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, and SFAS No. 117, *Financial Statements of Non-for-Profit Organizations*, that significantly redefined financial accounting and reporting for private non-profit institutions. As a result, these institutions are currently in a state of transition in complying with these new standards. Most private non-profit institutions are required to adopt these new standards during their 1996 fiscal year.

Proprietary institutions prepare their financial statements in accordance with accounting standards promulgated by FASB and the AICPA.

Independent hospitals prepare their financial statements by following guidelines set forth by the AICPA Audit Guide, *Providers of Health Care Services*. Similar to private non-profit institutions, many hospitals will also be subject to FASB Statements 116 and 117, but the financial statements of these institutions will not be as dramatically affected.

Also problematic are differences in GAAP among different business segments. Institutions of higher education have followed different accounting models for many years. For-profit institutions prepare their financial statements with GAAP applicable to commercial entities promulgated by FASB. Non-profit entities and public entities have generally used fund accounting models promulgated by industry groups and the AICPA. There have been obvious differences over the years, such as non-profits and publics not recording depreciation, nor being required to present a cash flow statement like their for-profit counterparts. To date, the financial statements of both public and private non-profit institutions have remained similar in

most respects. However, recent actions by the FASB and GASB (primarily the issuance of FASB Statements 116 and 117) have substantially increased the differences in accounting and financial reporting between public and private non-profit institutions.

Some of the resulting differences in these various reporting and accounting standards are as follows. Under FASB Statements 116 and 117, three basic financial statements—a statement of financial position, a statement of activities, and a cash flow statement—are required for private non-profit institutions. These statements are prepared on an accrual basis and measure economic resources and changes therein. Prepared as they are on a highly aggregated basis, these statements include certain required minimum information. Generally, matters of format are left to the discretion of the institution. Public institutions, on the other hand, will for the foreseeable future prepare the statements called for by the 1973 AICPA Guide—a statement of financial position, a statement of changes in fund balances, and a statement of current funds revenue, expenditures, and other changes. (A limited number of institutions may also report financial results using the government reporting model—an option allowed under GASB Statement 15). These statements under the 1973 AICPA Guide are prepared on a highly desegregated basis and follow the traditional managed funds structure. As such, they include changes in fund balances arising from expenditures and disposals of fixed assets rather than any capital usage charge such as historical cost depreciation. The format of each statement must generally conform to the example financial statements in the AICPA Guide, which are considered by GASB Statement 15 to be prescriptive rather than illustrative.

Thus, with each statement issued under FASB and GASB standards, there are differences between the accounting and reporting requirements for institutions that affect the information the Department uses to assess financial responsibility. The most significant differences have arisen in the following areas: (1) Consolidation/reporting entity; (2) Recording of contributions; (3) Accounting for pension and postretirement benefits, and (4) Recording of depreciation. KPMG took these different reporting standards into account when recommending a methodology.

Problems of Exclusive Tests

Another problem KPMG was to examine was that of exclusive tests. The current regulations measure and establish minimum acceptable standards for liquidity, net worth, and profitability. Each is measured separately and the results are considered independently. For example, the liquidity standard for a for-profit institution is an acid test with a minimum acceptable result of 1:1. If the acid test (or any of the other ratio tests) is not met, the institution may not be considered financially responsible. In such situations, the institution would be required to demonstrate financial responsibility by another method even if it had exhibited strengths in other tests.

This problem is further complicated by the accounting and reporting differences across

the business sectors, as described above. The current ratio tests and basic thresholds for non-profit and for-profit institutions are common, leading to gaps in necessary information where certain information necessary to evaluate an item is not required under that entity's general reporting format. One example is the use of the same acid test requirement of 1:1 for non-profit and for profit institutions. GAAP does not require non-profit institutions to prepare financial statements that classify assets and liabilities as current and noncurrent. Therefore, calculation of the acid test cannot be accurately performed without additional information. Moreover, differing cash management and investment strategies (investing excess cash in other than short-term instruments) may result in an institution failing the acid test requirement, when sufficient expendable resources are available in unrestricted investments to support operations for more than one year without any additional revenue.

Proposed Solution

KPMG proposed a ratio methodology that, similar to the current regulations, takes into account liquidity, profitability, and viability, but attempts to improve on the current regulations in three ways. First, it would consider all ratio results together, instead of as independent tests. The calculation of a composite score that blends the results of the individual tests would allow the Department to form a conclusion about the institution's total financial condition, instead of three separate conclusions concerning liquidity, profitability, and net worth. Second, the proposed methodology would establish a range of results for each ratio in contrast to the one minimum standard embodied in the current regulations. This range would assist the Department in allocating resources toward financially risky institutions. Finally, the proposed methodology takes into consideration the accounting and reporting differences of the different business segments by establishing different ratio definitions and strength factors for the same element of financial health (e.g., viability) for each business segment.

Methodology

KPMG introduced its first edition of *Ratio Analysis in Higher Education* in the 1970's to use as a tool to better understand and interpret an institution's financial situation. Today many industries, rating agencies and investors, and accrediting bodies use key ratios from GAAP financial statements to compare similar institutions' basic financial performance. In particular, KPMG and others developed this analysis to help them answer three fundamental questions with regard to the financial condition of institutions of postsecondary education:

- Is the reporting institution clearly financially healthy or not as of the reporting date?
 - Is the reporting institution financially better off or not at the end than it was at the beginning of the year reported on?
 - Did the reporting institution live within its means during the year being reported on?
- While these questions were originally posed as a way of better informing such

responsible parties as institutional administrators and trustees of the financial condition of the institution, they also serve the same purpose for the Department in its statutory responsibility to assess the financial health of a participating institution. Like administrators and trustees, the Department has a vital interest in assessing whether or not an institution can survive financially into the near future.

Ratio analysis provides answers to these questions by comparing sets of relevant numbers from the institution's financial report. Conceptually, this comparison describes the status, sources, and uses of an institution's financial resources in relation to its liabilities in such a way as to quantify the institution's relative ability to repay current and future debt and other obligations. Ratio analysis assumes that this comparison is necessary based on the fact that when considered in isolation, or as compared with absolute dollar standards, the dollar amounts representing assets and liabilities included in financial statements are not always meaningful measures of financial health. For example, the burden of debt and liabilities for an institution of any one size and operation and having access to a particular amount of resources will be different from another institution of a different size and operation and with access to a different amount of resources. Thus to provide an accurate measure of financial health, dollar amounts taken from an institution's financial statement should be analyzed in context of the institution's size, operations, and resources.

In turn, using ratios in tandem with one another depicts the institution in its financial totality. When the results of the application of a series of ratios are assigned to strength factors, weighted in accordance to sector, and then summed, the composite score that results provides an overall measure of financial responsibility. It is this overall measure, in the form of a composite score, that allows an investigator using professional judgement to determine the risk associated with the financial structure of the institution, and to develop a relative scale to compare institutions, and thus judge the magnitude of the risk, by comparing the institution's current position with similarly placed, comparable institutions. This approach avoids the possibility that failure to pass one test in isolation will automatically result in the conclusion that an institution is not financially responsible.

KPMG initially proposed the application of nine ratios to a random sample of the Department's financial reports as the empirical vehicle upon which to test the usefulness of ratio analysis as a gatekeeping tool, and to check the results of the application for reasonableness. Comments from reviewers at this point led KPMG to modify this research agenda. While all respondents believed that the overall approach was generally acceptable, some commenters recommended that KPMG revise its sampling approach to include a selection of financial reports from institutions that have failed financially, or are known to be in perilous financial health, in order to check that the measures not only accurately mark

financial health, but also financial distress. It was believed that using as a test a random sample of only those institutions that are still continuing to participate in title IV, HEA programs without the check provided by the assured presence of distressed or closed schools in the sample, would lead to indicators that could not provide sufficient information for analysts to identify the point at which the risk of closure is so great that the Department would determine that the institution was not financially responsible. KPMG responded by constructing a judgmental sample that included institutions selected by reference to sector and financial history.

A summary of this sample is as follows. KPMG selected a purely random sample of public institutions. For private non-profit institutions, KPMG selected a group of institutions that included large research institutions, large and small liberal arts schools, institutions with going concern statements on their most recently audited financial statements, and some other randomly selected institutions. KPMG also randomly selected a group of private non-profit institutions that have adopted FASB statements 116 and 117. For proprietary institutions, KPMG selected institutions that passed and institutions that failed the standards set forth by the Accrediting Commission of Career Schools and Colleges of Technology. KPMG also selected proprietary institutions that were on the Department's list of institutions subject to surety requirements. KPMG then randomly selected some additional proprietary institutions. For the hospital sector, KPMG randomly selected a group of institutions.

Accordingly, KPMG applied nine ratios—Viability, Primary Reserve, Net Income, Liquidity, Leverage, Debt Burden, Debt Coverage, Secondary Reserve, and Plant Equity—to the financial reports of the institutions in this sample.

Results: Ratios

The first result was a confirmation of some of the reviewers' initial comments. Some respondents had expressed the belief that, for practical purposes, a total of nine ratios was excessive for an initial analysis. The process of applying the ratios to the financial reports confirmed that use of all nine ratios provided additional detail as to the source of financial problems, but added little value for purposes of differentiating clearly financially healthy institutions from the group of institutions whose financial health is uncertain. In light of the reviewers' comments and these results, KPMG reexamined the range and scope of ratios needed as an initial test of financial health, and determined that three—Viability, Primary Reserve, and Net Income would be sufficient to identify institutions that are of immediate financial concern.

KPMG conceptualizes these ratios as follows:

- **Viability Ratio:** the ability of the institution to liquidate debt from its expendable resources. If the ratio is greater than 1 to 1, existing debt could be repaid from expendable resources available today.

In the short term, substantial amounts of expendable capital, as measured by the

Viability Ratio (and Primary Reserve Ratio, as discussed below) can counter the effects of poor profitability, liquidity, or an inability to borrow. Likewise, insufficient expendable capital is a clear warning sign of poor financial health. While a ratio of 1:1 or greater indicates that an institution is clearly healthy, no absolute strength factor is likely to indicate whether an institution is no longer financially viable. Most debt relating to plant assets is long term and does not have to be paid off at once. Yet it is clear that the lower the institution's viability ratio is below 1:1, the more likely that an institution must live with no margin for error and meet severe cash flow needs by obtaining short-term loans. Ultimately, such a financial condition will impair the ability of an institution to fulfill its mission and meet its service obligations to students. An institution that is continually experiencing a perilous financial situation will usually find itself driven primarily by financial rather than programmatic decisions.

- **Primary Reserve Ratio:** measures the ability to support current operations from expendable resources.

This ratio provides a snapshot of financial strength and flexibility by comparing expendable resources to total expenditures or expenses, or operating size. This snapshot indicates how long the institution could operate using its expendable reserves without relying on additional net assets generated by operations. A ratio of 1:1 or greater would indicate that an institution could operate for one year without any additional revenue being generated. A ratio of .5 to 1 (reserves necessary to operate for 6 months) would probably give an institution the flexibility needed to transform itself by means of a capital expansion, or a change in mission. A negative or decreasing trend over time indicates a weakening financial condition.

- **Net Income Ratio:** measures the ability of an institution to live within its means in a given operating cycle.

A positive Net Income Ratio indicates a surplus or profit for the year. Generally speaking, the larger the surplus or profit, the stronger the institution's financial position as a result of the year's operations. A negative ratio indicates a deficit or loss for the year. Small deficits may not be significant if the institution has large expendable capital. However, continued or large deficits or losses are usually a warning sign that major program or operational adjustments should be made. Because of its direct effect on viability, this ratio is one of the primary indicators of the underlying causes of a change in an institution's financial condition.

Strength Factors

In assigning the strength factors (called "threshold factors" in the KPMG report) for each applicable ratio, KPMG posed the question: What is the minimum result for each ratio that would indicate acceptable financial health? The answer to that question established the lower end of the neutral or mid range for which a strength factor of three (3) would be assigned. For example, KPMG's experience with for private colleges and universities indicates that a Primary Reserve Ratio of less than .30 indicates a less than

healthy financial position. This conclusion is consistent with standard bond rating practices. Hence in order to receive a strength factor of (3) in its Primary Reserve Ratio, the result for a private college or university must be at least .30.

To establish the upper strength factor of five (5), the risk associated with the Department's overall objective of separating financially responsible institutions from those that appear financially unhealthy had to be considered. Assigning the highest strength factor to a ratio correlates to a very good financial condition. The process of assessing that institution for financial responsibility may be shortened. If the financial condition of such an institution were to be subsequently affected, the Department and students could suffer unanticipated financial losses. Accordingly, the range for such a rating should be high enough to minimize that risk. The nature of each ratio and what it represents also had to be considered. A Primary Reserve Ratio result of 1.00 or more indicates that the institution can continue to operate at its present level for at least one year without any additional revenue. If analysis were limited to the Primary Reserve Ratio, one would have to conclude that such an institution is in a strong financial position.

The minimum strength factors were established to clearly reflect financial problems. For example, a negative Net Income Ratio result for an institution demonstrates that during its fiscal year, the institution spent more than it received. Such activity will eventually create a financial problem. Accordingly, a negative Net Income ratio would be assigned a strength factor of one (1).

The recommended strength factors described in the proposed Appendix F have been customized for each sector. A discussion of the strength factors for each ratio follows.

Viability Ratio: (Expendable Net Assets + Long-Term Debt) Because a ratio of 1:1 or greater indicates that, as of the balance sheet date, an institution is clearly healthy because it has sufficient expendable resources to satisfy debt obligations, the lower end of middle category (3) is a 1:1 ratio. The lowest category (1) is established at .5:1 and below. The highest categories (4 and 5) were established as greater than 2:1 and 4:1, respectively.

The same strength factors will be used for all sectors except for private non-profit institutions that have adopted the new accounting standards FASB Statements 116 and 117. A comparison of data from private non-profit institutions under the fund accounting model and those under the FASB Statements 116 and 117 model indicate that these strength factors should be approximately 30%–50% higher, because under the FASB model realized and unrealized endowment gains are generally classified as expendable funds.

Primary Reserve Ratio: (Expendable Net Assets + Total Expenses) This ratio measures financial strength by comparing expendable resources to operating size (total expenditures or expenses). It is reasonable to expect that in a healthy institution,

expendable resources would increase at least in proportion to the rates of growth of operating size. If they do not, the same dollar amount of expendable resources will provide a smaller margin of protection against adversity as the institution grows.

KPMG's experience and empirical testing indicate that a ratio of .3:1 or better indicates a financially healthy institution, and therefore the lower end of the middle strength factor of (3) is set as a ratio of .3:1. The lowest strength factor of (1) was established at .1:1 and below because having little more than one month or even negative expendable reserves indicates a financially risky institution. The strength factor (5) was established as greater than 1:1 because of the institution's ability to operate one year on existing reserves without an additional dollar of revenue.

Because operating and institutional differences exist among the different sectors of participating institutions, strength factors were modified for some business segments. Under the GASB reporting model, certain related entities and assets are not required to be reflected in the general purpose financial statements. In addition, many states will not allow significant unrestricted expendable reserves to build up in public institutions. It was also noted that published bond rating averages for public institutions rated Aa and A were 30–50% lower than private institutions rated Aa and A. Based on these factors and input from industry task force members, the strength factors for public institutions categories (2) through (5) were lowered by approximately 30%. A strength factor of (1) for public institutions remains at .1:1 because certain minimum reserves are necessary and .1:1 would still indicate an institution that is financially at risk.

With regard to proprietary institutions, owners of such institutions invest capital with the ultimate intent of returning that capital at a profit. Non-profit organizations, on the other hand, are generally precluded from distributing capital to contributors. It follows therefore that less capital will generally be left in proprietary institutions than in non-profit institutions. Therefore, the strength factor of (4) for this ratio has been lowered to .5 or greater, and strength factor (5) has been adjusted to .7 or greater. Furthermore, while a non-profit's Primary Reserve strength factor is automatically (1) if that result is less than zero, this adjustment is not made for proprietary institutions. The absence of this adjustment for the proprietary sector is in recognition of the fact that prudent business decisions may require an institution to have a negative capital balance for brief periods of time.

The strength factor factors for private institutions adopting FASB Statements 116 and 117 have been increased by 66% over private institutions using the fund accounting model. The inclusion of realized and unrealized gains on investments held as endowments in unrestricted and temporarily restricted net assets for the FASB model should lead to higher strength factors than those used to evaluate institutions following the AICPA Audit Guide financial reporting model where such gains are treated as nonexpendable.

Net Income Ratio: (Change in Unrestricted Net Assets + Total Unrestricted Income) In the non-profit sectors (including public and private institutions and hospitals), this ratio measures whether institutions operate within their means. In the public sector, institutions are not necessarily encouraged to be "profitable", and in fact legislation may prohibit them from operating at anything other than a break-even level. In the for-profit sector, however, the capacity to generate operating funds through income is an important indicator of financial health.

Private and public non-profit institutions which maintain operating margins of 3% of revenue are usually able to add to their expendable resources over time. Clearly, deficits over time will erode these same expendable resources. The lower end of the middle strength factor (3) is therefore 3%. The lowest strength factor (1) is established at zero and below, which indicates an operating deficit. The highest strength factor (5) was established at the level of greater than 5%.

It should be noted that the Net Income Ratio for proprietaries measures pre-tax income, in comparison to total revenue. Therefore, the strength factors for proprietary institutions are increased by an estimated tax effect.

Weighting Percentages

Weighting percentages for the calculation of overall scores are also contained in the proposed Appendix F.

By applying different weighting percentages to each sector, certain ratios and the elements they measure receive greater importance than others. As with the ratios and strength factors, the weighting percentages are customized to accommodate structural and accounting differences found in each of the different sectors. Non-profit institutions retain expendable resources, and a strong balance sheet generally correlates to strong financial health. For-profit institutions, on the other hand, do not necessarily retain expendable funds in the institution. Accordingly, higher weighting percentages have been allocated to the Viability Ratios for non-profit institutions, as compared with proprietary institutions. A more detailed explanation of weighting for each sector follows.

Private and Public Non-Profits: For these institutions, balance sheet strength as evidenced by expendable fund balances or net assets correlates directly with a strong financial position. Tests using the sample group described above indicate that institutions with large expendable fund balances compared to operating size were among the strongest financially. There was a less direct correlation between the ability of an institution to operate within its means and financial strength based on a single-year snapshot. A review of rating agency medians by category also demonstrated a strong correlation between financial health and large expendable fund balances. The industry task force agreed that more emphasis should be placed on the Primary Reserve Ratio for this sector, as compared with the emphasis on the Net Income Ratio. It should be noted, however, that over time, profitability must be

maintained even for these institutions, so as not to adversely affect other ratios.

Proprietaries: By their nature, proprietary institutions are expected to generate a return for their investors. This means both that a strong Net Income Ratio is important, and that one would expect that the Primary Reserve Ratio would be low as compared with non-proprieties, since the investment return may not be retained within the business. While some amounts of expendable resources are necessary to fund ongoing operations, many different financing alternatives are available. Therefore, the Net Income Ratio is accorded the greatest weight for this sector.

Hospitals: Independent hospitals fall into two categories—for profit and non-profit. While most hospitals do rely on profitability, many also have some endowments or other similar resources. The weightings provided in Appendix F reflect the situation of for-profit hospitals. Therefore the Net Income Ratio for this sector is weighted less than for the proprietary sector, but weighted more than for private non-profit and public institutions. Additionally, since hospitals have significant physical capital relative to operating size and generally use debt to finance capital additions, the Viability Ratio receives greater weight than the Primary Reserve Ratio. Adjustments to the weightings, and financial strength factors for non-profit independent hospitals will be considered in the final regulations in response to comments on this issue.

Composite Scores and the Identification of Problematic Institutions

The final step in the analysis of financial responsibility using these financial ratios is to add the weighted scores to derive a composite score. KPMG recommended dividing institutions into several categories denoting comparative levels of financial strength based on these composite scores. For these regulatory purposes, however, the relevant category is that which KPMG identified as representing an immediate financial risk. For all business sectors, this category is defined as those institutions that

have a composite score of less than 1.75. This determination is based on the fact that the individual weighted scores are calibrated to measure relative financial responsibility. A composite score of less than 1.75 means that collectively, the individual ratio scores resulted in strength factors that together indicate a potentially weak financial position.

This composite score takes into consideration many variables with particular emphasis on expendable capital and profitability. A score of less than 1.75 suggests that the overall financial circumstance of the institution is such that one or more of the measured elements is at or below the minimum strength factor value and neither remaining measure is higher than the median strength factor value. Generally, this implies that the institution is having difficulty maintaining a marginal position with respect to financial health and, by at least one measure, it is failing to perform at even a minimal acceptable level. Conversely, marginal institutions that achieve a strength factor value indicating superior performance in any one of the measured elements are likely to achieve a composite score of 1.75 or more despite overall marginal performance. This is based on an assumption that superior performance in any one of the measured elements will, over time, lead to improvements in the other measured elements.

The use of a composite score encompasses the total financial circumstances of the institution examined. Each of the three principle measures attempts to identify a fundamental strength or weakness related to the institution's overall fiscal health. In particular, each factor isolates a critical aspect of fiscal responsibility and measures that element against an established benchmark. It is important to note, however, that no single measure is used. Rather, the measures are blended into a composite score that explicitly recognizes the basic differences that exist among the several types of institutions. By taking these differences into consideration, the Secretary is better able to make a determination as to overall

institutional fiscal health. The differences among the institutions examined are recognized explicitly through the weighting methodology.

The use of a composite measure represents a departure from the Secretary's prior approach to measuring fiscal responsibility. Previously, the Secretary applied similar measures, but individual compliance thresholds for each element were measured exclusively from one another, and not in combination. Under the prior regulations, the Secretary implicitly recognized the relationship among variables and established compliance thresholds for each element separately. The proposed regulations are similar in that poor performance in any one element may lead to a finding of non-compliance unless other measures are at least at the median performance level. What differs in relation to the previous regulations is the recognition that superior performance in one or more fundamental elements of financial health adds a dimension to any analysis of fiscal responsibility that warrants consideration. Thus, with one exception discussed below, strength in one area may be considered to the extent that it offsets weakness in another. The Secretary believes that this better takes into consideration the total financial circumstances of an institution.

There is one proposed exception to the use of the composite score rather than individual ratios as the test of financial responsibility. Based on the KPMG study, the Secretary proposes that a public or private non-profit institution would not be considered financially responsible, despite its composite score, if it has a negative Primary Reserve Ratio. This adjustment is in recognition that a public or private non-profit institution that has a negative Primary Reserve Ratio is in such grave financial difficulty that even exemplary performance in other areas cannot cover for this deficiency.

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Part IV

**Department of
Housing and Urban
Development**

Office of the Secretary

24 CFR Part 888

**Fair Market Rents for the Section 8
Housing Assistance Payments Program—
Fiscal Year 1997; Final Rule**

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**Office of the Secretary****24 CFR Part 888**

[Docket No. FR-4134-N-01]

Fair Market Rents for the Section 8 Housing Assistance Payments Program—Fiscal Year 1997**AGENCY:** Office of the Secretary, HUD.**ACTION:** Notice of final Fiscal Year (FY) 1997 Fair Market Rents (FMRs).

SUMMARY: Section 8(c)(1) of the United States Housing Act of 1937 requires the Secretary to publish FMRs annually to be effective on October 1 of each year. FMRs are used for the Section 8 Rental Certificate Program (including space rentals by owners of manufactured homes under that program); the Moderate Rehabilitation Single Room Occupancy program; housing assisted under the Loan Management and Property Disposition programs; payment standards for the Rental Voucher program; and any other programs whose regulations specify their use.

Today's notice provides final FY 1997 FMRs for all areas. It includes increased FMRs for 21 areas as a result of HUD-contracted Random Digit Dialing (RDD) surveys conducted through August, 1996. It also includes increased FMRs in 8 areas that submitted public comments, plus 4 areas that submitted manufactured home space rent comments.

Today's notice also makes effective FMR reductions for 9 areas that were proposed for reduction in the May 8, 1996 notice (61 FR 20982), based on the results of recent RDD and American Housing Surveys (AHSs).

EFFECTIVE DATE: The FMRs published in this notice are effective on October 1, 1996.

FOR FURTHER INFORMATION CONTACT: Gerald Benoit, Operations Division, Office of Rental Assistance, telephone (202) 708-0477. For technical information on the development of schedules for specific areas or the method used for the rent calculations, contact Alan Fox, Economic and Market Analysis Division, Office of Economic Affairs, telephone (202) 708-0590, Extension 328. Hearing- or speech-impaired persons may contact the Federal Information Relay Service at 1-800-877-8339 (TTY). (Other than the "800" TTY number, telephone numbers are not toll free.)

SUPPLEMENTARY INFORMATION: Section 8 of the United States Housing Act of

1937 (the Act) (42 U.S.C. 1437f) authorizes housing assistance to aid lower income families in renting decent, safe, and sanitary housing. Assistance payments are limited by FMRs established by HUD for different areas. In general, the FMR for an area is the amount that would be needed to pay the gross rent (shelter rent plus utilities) of privately owned, decent, safe, and sanitary rental housing of a modest (non-luxury) nature with suitable amenities.

Method Used to Develop FMRs

FMR Standard: FMRs are gross rent estimates; they include shelter rent and the cost of utilities, except telephone. HUD sets FMRs to assure that a sufficient supply of rental housing is available to program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many families as possible. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of standard quality rental housing units rent. The 40th percentile rent is drawn from the distribution of rents of units which are occupied by recent movers (renter households who moved into their unit within the past 15 months). Newly built units less than two years old are excluded, and adjustments have been made to correct for the below market rents of public housing units included in the data base.

Data Sources: HUD used the most accurate and current data available to develop the FMR estimates. The sources of survey data used for the base-year estimates are:

(1) The 1990 Census, which provides statistically reliable rent data for all FMR areas;

(2) The Bureau of the Census' American Housing Surveys (AHSs), which are used to develop between-Census revisions for the largest metropolitan areas and which have accuracy comparable to the decennial Census; and

(3) The Random Digit Dialing (RDD) telephone surveys of individual FMR areas, which are based on a sampling procedure that uses computers to select statistically random samples of rental housing.

The base-year FMRs are updated using trending factors based on Consumer Price Index (CPI) data for rents and utilities, or HUD regional rent change factors developed from RDD

surveys. Annual average CPI data are available individually for 102 metropolitan FMR areas. RDD Regional rent change factors are developed annually for the metropolitan and nonmetropolitan parts of each of the 10 HUD regions. The RDD factors are used to update the base year estimates for all FMR areas that do not have their own local CPI survey.

RDD surveys have a high degree of statistical accuracy; there is a 95 percent likelihood that the recent mover rent estimates developed using this approach are within 3 to 4 percent of the actual rent value. Virtually all of the RDD survey FMR estimates will be within 5 percent of the actual value.

State Minimum FMRs: Starting with the FY 1996 FMRs, HUD implemented a new minimum FMR policy in response to concerns that FMRs in rural areas were too low to operate the program successfully. As a result, FMRs are established at the higher of the local FMR or the Statewide average of nonmetropolitan counties, subject to a ceiling rent cap. The State minimum also affects a small number of metropolitan areas whose rents would otherwise fall below the State minimum.

Public Comments

In response to the May 8, 1996 proposed FMRs, HUD received 53 public comments covering 37 FMR areas. Rental housing survey information was provided for 20 of the FMR areas covered by comments, including the 4 requests for manufactured home space rent changes only. HUD carefully evaluated all of the survey data submitted and, based on that review, is revising the FMRs for 12 of the 20 areas. The information submitted for the other 17 FMR areas that did not submit rental housing surveys was not considered sufficient to provide a basis for revising the FMRs.

The 8 FMR areas with approved FMR revisions are as follows:

Dover, DE MSA
Sussex County, DE
Reno, NV MSA
Preble County, OH
Box Elder County, UT
Cache County, UT
Iron County, UT
Fond du Lac County, WI

The 4 manufactured home space survey areas with approved revisions are:

Mendocino County, CA
Rochester, NY MSA
Utica-Rome, NY MSA
Portland-Vancouver, OR-WA MSA

PHAs and other interested parties should be aware that FMR comments

may be sent to HUD at any time during the year, not just during the 60-day comment period. Comments received too late for adjusting the current year's Final FMRs will be held for use in the following year, in which case HUD will trend the survey results to the date of the FMR estimate using its standard trending factor. If the PHA is concerned that rents are changing rapidly, surveys should be timed to be received as close as possible to HUD's deadline for processing, which is usually around July 30.

AHS and RDD Surveys

This notice makes effective the FMRs for 9 areas proposed with reductions based on recent RDD or AHS surveys. One of these areas, the Portland, ME MSA, submitted information that caused HUD to reduce the FMRs less than had been proposed. For the other areas, the lower proposed FMRs are, by this notice, being made final. FMR areas with reductions based on AHS surveys are Orange County, CA PMSA, and Riverside-San Bernardino, CA PMSA. The areas with reductions based on RDD surveys include: Danbury, CT PMSA, Portland, ME MSA (see note, above), Portsmouth-Rochester, NH-ME PMSA, and Aguadilla, PR MSA, Arecibo, PR PMSA, Ponce, PR MSA, and Nonmetropolitan Puerto Rico.

In addition, by this notice HUD is increasing FMRs for the following 21 areas, based on RDDs that were completed after the date of the proposed FMR notice; they are:

Abilene, TX MSA
Bloomington-Normal, IL MSA
Boston, MA-NH PMSA
Charlottesville, VA MSA
Fayetteville-Springdale-Rogers, AR MSA
Gary, IN PMSA
Greenville, NC MSA
Huntington-Ashland, WV-KY-OH MSA
Iowa City, IA MSA
Kokomo, IN MSA
Lafayette, IN MSA
Lansing-East Lansing, MI MSA
Nashville, TN MSA
Richmond-Petersburg, VA MSA
Sioux City, IA-NE MSA
Springfield, MA MSA
Hall County, NE
Grant County, NM
Luna County, NM
Knox County, OH
Pike County, OH

FMR Area Definition Change

The May 8, 1996 publication invited comments on HUD's proposal to include St. Landry and St. Martin Parishes with the Lafayette, LA FMR area, in accordance with OMB's practice. No

comments were received on this proposed change, and therefore the proposal is being put into effect.

Manufactured Home Space Surveys

HUD also received public comments and survey data from 4 FMR areas concerning the manufactured home space FMRs. As a result of a review of the data, increased FMRs have been approved for Portland-Vancouver, OR-WA MSA, Rochester, NY MSA, Utica-Rome, NY MSA, and Mendocino County, CA.

Manufactured home space FMRs are 30 percent of the applicable Section 8 Rental Certificate Program two-bedroom FMR. HUD accepts public comments requesting modifications of manufactured home space FMRs. In order to be accepted as a basis for revising the FMRs, such comments must contain statistically valid survey data that show the 40th percentile space rent (excluding the cost of utilities) for the entire FMR area. However, the sampling requirements for manufactured home space rent surveys are easier to meet than for regular FMR comments, and interested parties should contact HUD for suggestions. This program uses the same FMR area definitions as the Section 8 Rental Certificate Program. Manufactured home space FMR revisions are published as final FMRs in Schedule D. Once approved, the revised manufactured home space FMRs establish new base year estimates that are updated annually using the same data used to update the Rental Certificate program FMRs.

HUD Rental Housing Survey Guides

HUD recommends the use of professionally-conducted RDD telephone surveys to test the accuracy of FMRs for areas where there is a sufficient number of Section 8 units to justify the survey cost of \$10,000-\$12,000. Areas with 500 or more program units usually meet this criterion, and areas with fewer units may meet it if the actual two-bedroom FMR rent standard is significantly different than that proposed by HUD. In addition, HUD has developed a version of the RDD survey methodology for smaller, nonmetropolitan PHAs. This methodology is designed to be simple enough to be done by the PHA itself, rather than by professional survey organizations, at a cost of about \$5,000.

PHAs in nonmetropolitan areas may, in certain circumstances, do surveys of groups of counties. All grouped county surveys must be approved in advance by HUD. PHAs are cautioned that the resulting FMRs will not be identical for the counties surveyed; each individual

FMR area will have a separate FMR based on its relationship to the combined rent of the group of FMR areas.

PHAs that plan to use the RDD survey technique may obtain a copy of the appropriate survey guide by calling HUD USER on 1-800-245-2691. Larger PHAs should request "Random Digit Dialing Surveys; A Guide to Assist Larger Public Housing Agencies in Preparing Fair Market Rent Comments." Smaller PHAs should obtain "Rental Housing Surveys; A Guide to Assist Smaller Public Housing Agencies in Preparing Fair Market Rent Comments."

HUD prefers, but does not mandate, the use of RDD telephone surveys, or the more traditional method described in the small PHA survey guide. Other survey methodologies are acceptable as long as they provide statistically reliable, unbiased estimates of the 40th percentile gross rent. Survey samples should preferably be randomly drawn from a complete list of rental units for the FMR area. If this is not feasible, the selected sample must be drawn so as to be statistically representative of the entire rental housing stock of the FMR area. In particular, surveys must include units of all rent levels and be representative by structure type (including single-family, duplex and other small rental properties), age of housing unit, and geographic location. The decennial Census should be used as a starting point and means of verification for determining whether the sample is representative of the FMR area's rental housing stock. All survey results must be fully documented.

The cost of an RDD survey may vary, depending on the characteristics of the telephone system used in the FMR area. RDDs (and simplified telephone surveys) of some non-metropolitan areas have been unusually expensive because of telephone system characteristics. A PHA or PHA contractor that cannot obtain the recommended number of sample responses after reasonable efforts should consult with HUD before abandoning its survey; in such situations HUD is prepared to relax normal sample size requirements.

FMRs for Federal Disaster Areas

Under the authority granted in 24 CFR part 899, the Secretary of HUD finds good cause to waive the regulatory requirements that govern requests for geographic area FMR exceptions for areas that are declared disaster areas by the Federal Emergency Management Agency (FEMA) during FY 1997. HUD field offices are authorized to approve exceptions up to 10 percent above the applicable FMRs for: (1) Single-county

FMR areas and for individual county parts of multi-county FMR areas that qualify as disaster areas under the Robert T. Stafford Disaster Relief and Emergency Assistance Act; if (2) the PHA certifies that damage to the rental housing stock as a result of the disaster is so substantial that it has increased the prevailing rent levels in the affected area. Such exceptions must be requested in writing by the responsible PHAs. Once approved by HUD, they will remain in effect until superseded by the publication of the final FY 1999 FMRs.

Puerto Rico FMRs

The May 8, 1996 notice proposed 4 areas in Puerto Rico for reductions, based on RDD surveys begun in 1995 and completed in 1996. HUD has received several written comments on those proposed reductions, but no survey data with which to adjust them. Having received no comments with valid survey data, FMRs for the following areas are being made final: the Aguadilla, Arecibo, and Ponce MSAs, and the nonmetropolitan parts of Puerto Rico.

Technical Correction: Santa Rosa, CA

In the May 8, 1996 notice of proposed FMRs, the full schedule for the Santa Rosa, CA PMSA was wrong, although the 2 bedroom figure was correct. The corrected final FMRs for FY 1997 are listed in Schedule B.

Other Matters

Environmental Impact

A Finding of No Significant Impact with respect to the environment as required by the National Environmental Policy Act (42 U.S.C. 4321-4374) is unnecessary, since the Section 8 Rental Certificate Program is categorically excluded from the Department's National Environmental Policy Act procedures under 24 CFR 50.20(d).

Regulatory Flexibility Act

The undersigned, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), hereby certifies that this notice does not have a significant economic impact on a substantial number of small entities, because FMRs do not change the rent from that which would be charged if the unit were not in the Section 8 Program.

Impact on the Family

The General Counsel, as the Designated Official under Executive Order No. 12606, The Family, has determined that this notice will not have a significant impact on family formation, maintenance, or well-being. The notice amends Fair Market Rent

schedules for various Section 8 assisted housing programs, and does not affect the amount of rent a family receiving rental assistance pays, which is based on a percentage of the family's income.

Federalism Impact

The General Counsel, as the Designated Official under section 6(a) of Executive Order No. 12611, Federalism, has determined that this notice will not involve the preemption of State law by Federal statute or regulation and does not have Federalism implications. The Fair Market Rent schedules do not have any substantial direct impact on States, on the relationship between the Federal government and the States, or on the distribution of power and responsibility among the various levels of government.

The Catalog of Federal Domestic Assistance program number is 14.156, Lower-Income Housing Assistance Program (Section 8).

Dated: September 13, 1996.

Henry G. Cisneros,

Secretary.

Accordingly, the Fair Market Rent Schedules, which will not be codified in 24 CFR Part 888, are amended as follows:

Fair Market Rents for the Section 8 Housing Assistance Payments Program

Schedules B and D—General Explanatory Notes

1. Geographic Coverage

a. The FMRs shown in Schedule B incorporate the Office of Management and Budget's (OMB) most current definitions of metropolitan areas, with the exceptions discussed in paragraph (b). HUD uses the OMB Metropolitan Statistical Area (MSA) and Primary Metropolitan Statistical Area (PMSA) definitions for FMR areas because they closely correspond to housing market area definitions. FMRs are housing market-wide rent estimates that are intended to provide housing opportunities throughout the geographic area in which rental housing units are in direct competition.

b. The exceptions are counties deleted from seven large metropolitan areas whose revised OMB definitions were determined by HUD to be larger than the housing market areas. The FMRs for the following counties (shown by the metropolitan area) are calculated separately and are shown in Schedule B within their respective States under the "Metropolitan FMR Areas" listing:

Metropolitan Area and Counties Deleted
Atlanta, GA—Carroll, Pickens, and Walton Counties.

Chicago, IL—DeKalb, Grundy and Kendall Counties.

Cincinnati-Hamilton, OH—KY—IN—Brown County, Ohio; Gallatin, Grant and Pendleton Counties in Kentucky; and Ohio County, Indiana.

Dallas, TX—Henderson County.

Flagstaff, AZ—UT—Kane County, UT.

New Orleans, LA—St. James Parish.

Washington, DC—MD—VA—WV—

Berkeley and Jefferson Counties in West Virginia; and Clarke, Culpeper, King George and Warren Counties in Virginia.

c. FMRs also are established for nonmetropolitan counties and for county equivalents in the United States, for nonmetropolitan parts of counties in the New England States and for FMR areas in Puerto Rico, the Virgin Islands and the Pacific Islands.

d. FMRs for the areas in Virginia shown in the table below were established by combining the census data for the nonmetropolitan counties with the data for the independent cities that are located within the county borders. Because of space limitations, the FMR listing in Schedule B includes only the name of the nonmetropolitan county. The full definitions of these areas, including the independent cities, are as follows:

VIRGINIA NONMETROPOLITAN COUNTY FMR AREA AND VIRGINIA INDEPENDENT CITIES INCLUDED WITH COUNTY

County	Cities
Allegheny	Clifton Forge and Covington.
Augusta	Staunton and Waynesboro.
Carroll	Galax.
Frederick	Winchester.
Greensville	Emporia.
Henry	Martinsville.
Montgomery	Radford.
Rockbridge	Buena Vista and Lexington.
Rockingham	Harrisonburg.
Southampton	Franklin.
Wise	Norton.

e. FMRs for Section 8 manufactured home spaces are established at 30 percent of the two-bedroom Section 8 Rental Certificate program FMRs, with the exception of the areas listed in Schedule D whose FMRs have been revised on the basis of public comments. Once approved, the revised manufactured home space FMRs establish new base-year estimates that will be updated annually using the same data used to estimate the Rental Certificate program FMRs. The FMR area definitions used for manufactured

home spaces are the same as for the Section 8 Certificate program.

2. Arrangement of FMR Areas and Identification of Constituent Parts

a. The FMR areas in Schedule B are listed alphabetically by metropolitan FMR area and by nonmetropolitan county within each State. The exception FMRs for manufactured home spaces in

Schedule D are listed alphabetically by State.

b. The constituent counties (and New England towns and cities) included in each metropolitan FMR area are listed immediately following the listings of the FMR dollar amounts. All constituent parts of a metropolitan FMR area that are in more than one State can be identified by consulting the listings for each applicable State.

c. Two nonmetropolitan counties are listed alphabetically on each line of the nonmetropolitan county listings.

d. The New England towns and cities included in a nonmetropolitan part of a county are listed immediately following the county name.

e. The FMRs are listed by dollar amount on the first line beginning with the FMR area name.

BILLING CODE 4210-32-P

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

A L A B A M A

METROPOLITAN FMR AREAS

NONMETROPOLITAN COUNTIES										NONMETROPOLITAN COUNTIES									
O	BR	1	BR	2	BR	3	BR	4	BR	O	BR	1	BR	2	BR	3	BR	4	BR
Anniston, AL MSA.....	246	291	364	509	576	Calhoun	Jefferson, St. Clair, Shelby												
Birmingham, AL MSA.....	350	395	460	623	692	Blount,	Russell												
Columbus, GA-AL MSA.....	332	370	443	580	628	Russell													
Decatur, AL MSA.....	326	330	417	539	644	Lawrence, Morgan													
Dothan, AL MSA.....	296	303	376	518	525	Dale, Houston													
Florence, AL MSA.....	277	319	410	511	573	Colbert, Lauderdale													
Gadsden, AL MSA.....	246	301	348	451	555	Etowah													
Huntsville, AL MSA.....	343	402	495	660	785	Limestone, Madison													
Mobile, AL MSA.....	331	369	423	570	668	Baldwin, Mobile													
Montgomery, AL MSA.....	375	401	473	645	776	Autauga, Elmore, Montgomery													
Tuscaloosa, AL MSA.....	323	347	461	633	670	Tuscaloosa													
NONMETROPOLITAN COUNTIES																			
Barbour.....	237	281	336	435	498	Bibb.....	237	281	336	435	498	542							
Bullock.....	237	281	336	435	498	Butler.....	237	281	336	435	498	542							
Chambers.....	237	281	336	435	499	Cherokee.....	237	281	336	435	498	542							
Chilton.....	245	281	336	435	498	Choctaw.....	237	281	336	435	498	542							
Clarke.....	237	281	336	435	498	Clay.....	237	281	336	435	498	542							
Cleburne.....	237	281	336	435	498	Coffee.....	237	333	432	601	675								
Conecuh.....	237	281	336	435	498	Coosa.....	237	281	336	435	498	542							
Covington.....	237	281	336	435	498	Crenshaw.....	237	281	336	435	498	542							
Cullman.....	237	281	336	445	541	Dallas.....	237	281	336	435	498	542							
Dekalb.....	237	281	336	435	498	Escambia.....	237	281	336	435	498	542							
Fayette.....	237	281	336	435	498	Franklin.....	237	281	336	435	498	542							
Geneva.....	237	281	336	435	498	Greene.....	237	281	336	435	498	542							
Hale.....	237	281	336	435	498	Henry.....	237	281	336	435	498	542							
Jackson.....	256	281	336	435	534	Lamar.....	237	281	336	435	498	542							
Lee.....	250	349	447	582	735	Lowndes.....	237	281	336	435	498	542							
Macon.....	258	290	387	485	542	Marango.....	237	281	336	435	498	542							
Marion.....	237	281	336	435	498	Marshall.....	271	281	342	474	561								
Monroe.....	237	281	336	435	498	Perry.....	237	281	336	435	498	542							
Pickens.....	237	281	336	435	498	Pike.....	242	281	336	435	506								
Randolph.....	237	281	336	435	498	Sumter.....	237	281	336	435	498	542							
Talladega.....	237	281	336	435	498	Tallapoosa.....	238	281	336	435	498	542							
Walker.....	237	292	344	444	566	Washington.....	237	281	336	435	498	542							
Wilcox.....	237	281	336	435	498	Winston.....	237	281	336	435	498	542							

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

A L A S K A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Anchorage, AK MSA..... 479 565 750 1043 1232 Anchorage

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Aleutian East.....	503	567	639	797	1045	Aleutian West.....	431	487	546	685	767
Bethel.....	649	812	1028	1287	1441	Bristol Bay.....	521	601	676	940	1022
Dillingham.....	627	637	848	1062	1188	Fairbanks North Star.....	396	538	706	971	1145
Haines.....	467	579	660	898	924	Juneau.....	698	807	1027	1367	1421
Kenai Peninsula.....	425	542	653	907	1071	Ketchikan Gateway.....	514	628	841	1171	1231
Kodiak Island.....	669	735	954	1193	1548	Lake & Peninsula.....	402	650	731	912	1023
Matanuska-Susitna.....	449	608	684	929	1097	Nome.....	661	818	918	1278	1442
North Slope.....	750	769	950	1322	1540	Northwest Arctic.....	794	895	1004	1397	1648
Pr. Wales Outer Ketchikan	351	558	641	890	941	Sitka.....	553	657	737	1025	1210
Skagway-Yakutat-Angoon..	429	437	566	708	794	Southeast Fairbanks.....	441	462	558	697	783
Valdez-Cordova.....	525	643	714	912	1086	Wade Hampton.....	375	566	637	796	893
Wrangell-Petersburg.....	382	564	685	872	957	Yukon-Koyukuk.....	501	565	636	795	921

A R I Z O N A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Flagstaff, AZ.....	409	444	575	772	927	Coconino	352	369	470	613	728
Las Vegas, NV-AZ MSA.....	446	529	630	877	1035	Mohave	352	369	470	613	728
Phoenix-Mesa, AZ MSA.....	377	456	572	796	938	Maricopa, Pinal	352	369	470	613	728
Tucson, AZ MSA.....	354	424	564	785	926	Pima	352	369	470	613	728
Yuma, AZ MSA.....	354	409	545	758	763	Yuma	352	389	482	613	728

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Apache.....	352	369	470	613	728	Cochise.....	352	369	470	613	728
Gila.....	352	369	470	613	728	Graham.....	352	369	470	613	728
Greenlee.....	352	369	470	613	728	La Paz.....	352	369	470	613	728
Navaajo.....	352	369	470	613	728	Santa Cruz.....	352	389	482	613	728
Yavapai.....	373	389	519	724	797						

A R K A N S A S

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Fayetteville-Springdale-Rogers, AR MSA.....	293	368	484	655	678	Benton, Washington					
Fort Smith, AR-OK MSA.....	290	294	387	518	518	Crawford, Sebastian					
Jonesboro, AR MSA.....	297	323	380	524	554	Craighead					
Little Rock-North Little Rock, AR MSA.....	362	401	477	659	769	Faulkner, Lonoke, Pulaski, Saline					
Memphis, TN-AR-MS MSA.....	331	385	453	629	661	Crittenden					

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

A R K A N S A S continued

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Pine Bluff, AR MSA..... 276 327 431 544 707 Jefferson
 Texarkana, TX-Texarkana, AR MSA..... 294 360 439 579 614 Miller

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Arkansas.....	252	272	348	477	517	NONMETROPOLITAN COUNTIES				O BR 1 BR 2 BR 3 BR 4 BR	
Baxter.....	229	292	388	498	607	Ashley.....	229	272	348	462	547
Bradley.....	229	272	348	462	517	Boone.....	271	276	366	510	602
Carroll.....	269	295	348	462	552	Calhoun.....	229	272	348	462	517
Clark.....	252	272	353	462	558	Chicot.....	229	272	348	462	517
Cleburne.....	259	272	348	462	524	Clay.....	229	272	348	462	517
Columbia.....	229	272	348	462	517	Cleveland.....	229	272	348	462	517
Cross.....	238	301	348	469	553	Conway.....	229	283	379	473	531
Dessa.....	229	272	348	462	517	Dallas.....	229	272	348	462	517
Franklin.....	240	272	348	462	517	Drew.....	229	297	396	548	557
Garland.....	229	292	391	545	643	Fulton.....	237	272	348	462	517
Greene.....	246	272	348	462	517	Grant.....	238	283	348	462	522
Hot Spring.....	229	272	348	462	517	Hempstead.....	229	272	348	462	517
Independence.....	241	279	348	462	517	Howard.....	229	272	348	462	517
Jackson.....	237	272	348	462	517	Izard.....	229	272	348	462	517
Lafayette.....	240	272	348	462	517	Johnson.....	229	272	348	462	517
Lee.....	253	272	348	462	517	Lawrence.....	229	272	348	462	517
Little River.....	229	272	354	491	579	Lincoln.....	248	272	354	474	517
Madison.....	261	272	354	462	517	Logan.....	240	272	348	462	517
Mississippi.....	260	283	379	499	560	Marion.....	229	272	348	462	517
Montgomery.....	229	272	348	462	517	Monroe.....	233	272	348	462	517
Newton.....	229	272	348	462	517	Nevada.....	229	272	348	478	517
Perry.....	229	272	348	462	517	Duachita.....	267	272	348	481	568
Pike.....	229	272	348	462	517	Phillips.....	229	272	348	462	517
Polk.....	229	272	348	462	517	Poinsett.....	229	272	348	462	517
Prairie.....	229	272	348	462	517	Pope.....	229	300	379	526	606
St. Francis.....	229	278	348	472	555	Randolph.....	229	272	348	462	517
Searcy.....	229	272	348	462	517	Scott.....	229	272	348	462	517
Sharp.....	229	272	348	462	517	Sevier.....	251	272	348	462	517
Union.....	287	303	364	488	598	Stone.....	229	272	348	462	517
White.....	229	272	348	478	517	Van Buren.....	229	272	348	462	571
Yell.....	238	272	348	462	517	Woodruff.....	229	272	348	462	517

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

C A L I F O R N I A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Bakersfield, CA MSA.....	385	433	543	754	835	Kern					
Chico-Paradise, CA MSA.....	320	410	546	749	896	Butte					
Fresno, CA MSA.....	394	441	526	731	843	Fresno, Madera					
Los Angeles-Long Beach, CA PMSA.....	563	675	854	1153	1375	Los Angeles					
Merced, CA MSA.....	381	429	521	720	850	Merced					
Modesto, CA MSA.....	421	454	554	772	909	Stanislaus					
Oakland, CA PMSA.....	523	633	794	1089	1301	Alameda, Contra Costa					
Orange County, CA PMSA.....	612	669	827	1150	1281	Orange					
Redding, CA MSA.....	362	402	503	699	824	Shasta					
Riverside-San Bernardino, CA PMSA.....	428	477	582	809	955	Riverside, San Bernardino					
Sacramento, CA PMSA.....	453	511	639	887	1045	El Dorado, Placer, Sacramento					
Salinas, CA MSA.....	513	600	723	1006	1055	Monterey					
San Diego, CA MSA.....	477	545	682	947	1118	San Diego					
San Francisco, CA PMSA.....	589	763	965	1323	1399	Marin, San Francisco, San Mateo					
San Jose, CA PMSA.....	651	743	918	1258	1413	Santa Clara					
San Luis Obispo-Atascadero-Paso Robles, CA PMSA.....	491	555	704	978	1155	San Luis Obispo					
Santa Barbara-Santa Maria-Lompoc, CA MSA.....	597	663	840	1170	1320	Santa Barbara					
Santa Cruz-Watsonville, CA PMSA.....	606	721	964	1339	1569	Santa Cruz					
Santa Rosa, CA PMSA.....	521	591	766	1065	1257	Sonoma					
Stockton-Lodi, CA MSA.....	423	479	614	854	1008	San Joaquin					
Vallejo-Fairfield-Napa, CA PMSA.....	501	570	696	966	1141	Napa, Solano					
Ventura, CA PMSA.....	532	611	774	1029	1198	Ventura					
Visalia-Tulare-Porterville, CA MSA.....	354	376	490	684	781	Tulare					
Yolo, CA PMSA.....	456	520	643	892	1054	Yolo					
Yuba City, CA MSA.....	315	367	472	659	761	Sutter, Yuba					
NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR					
Alpine.....	298	447	505	702	757	Amador.....	411	453	605	842	938
Calaveras.....	361	417	556	773	911	Colusa.....	326	365	470	655	757
Del Norte.....	305	418	556	774	913	Glenn.....	298	365	470	655	757
Humboldt.....	307	426	559	779	921	Imperial.....	337	421	518	722	757
Inyo.....	308	417	535	701	757	Kings.....	346	401	501	697	822
Lake.....	336	427	570	718	934	Lassen.....	365	369	480	655	757
Mariposa.....	322	409	526	689	813	Mendocino.....	412	496	610	849	855
Modoc.....	326	365	470	655	757	Mono.....	455	546	725	1008	1192
Nevada.....	373	510	680	945	1095	Plumas.....	329	365	470	655	757
San Benito.....	447	526	659	918	1075	Sierra.....	298	399	492	684	807
Siskiyou.....	312	365	470	655	757	Tehama.....	311	365	470	655	757
Trinity.....	335	365	470	655	757	Tuolumne.....	330	450	600	835	985

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

C O L O R A D O

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Boulder-Longmont, CO PMSA.....	454	544	697	971	1145	Boulder
Colorado Springs, CO MSA.....	393	421	562	782	924	El Paso
Denver, CO PMSA.....	381	454	605	840	991	Adams, Arapahoe, Denver, Douglas, Jefferson
Fort Collins-Loveland, CO MSA.....	406	501	619	859	1015	Larimer
Grand Junction, CO MSA.....	374	388	485	654	778	Mesa
Greeley, CO PMSA.....	381	421	530	735	870	Weld
Pueblo, CO MSA.....	393	408	510	686	818	Pueblo

NONMETROPOLITAN COUNTIES

O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES

O BR 1 BR 2 BR 3 BR 4 BR

Alamosa.....	368	382	477	643	766	Archuleta.....	440	482	570	768	914
Baca.....	368	382	477	643	766	Bent.....	368	382	477	643	766
Chaffee.....	368	382	477	643	766	Cheyenne.....	368	382	477	643	766
Clear Creek.....	368	429	486	676	797	Conejos.....	368	382	477	643	766
Costilla.....	368	382	477	643	766	Crowley.....	368	382	477	643	766
Custer.....	368	382	477	643	766	Delta.....	368	382	477	643	766
Dolores.....	368	382	477	643	766	Eagle.....	495	539	719	1001	1179
Elbert.....	406	451	514	643	844	Fremont.....	368	382	477	643	766
Garfield.....	427	458	578	722	946	Gilpin.....	368	489	621	820	907
Grand.....	437	441	559	699	846	Gunnison.....	368	382	477	643	766
Hinsdale.....	368	389	477	643	766	Huerfano.....	368	382	477	643	766
Jackson.....	368	382	477	643	766	Kiowa.....	368	382	477	643	766
Kit Carson.....	368	382	477	643	766	Lake.....	368	382	477	643	766
La Plata.....	481	531	701	976	1151	Las Animas.....	368	392	477	643	766
Lincoln.....	368	382	477	643	766	Logan.....	368	382	477	643	766
Mineral.....	368	382	477	643	766	Moffat.....	368	382	477	643	766
Montezuma.....	368	382	477	643	766	Montrose.....	368	382	483	669	789
Morgan.....	368	382	477	643	766	Otero.....	368	382	477	643	766
Ouray.....	368	382	483	643	781	Park.....	368	407	530	736	837
Phillips.....	368	382	477	643	766	Pitkin.....	552	755	1006	1327	1508
Prowers.....	368	382	477	643	766	Rio Blanco.....	368	382	477	643	766
Rio Grande.....	368	382	477	643	766	Routt.....	368	445	588	816	962
Saguache.....	368	382	477	643	766	San Juan.....	368	382	477	643	766
San Miguel.....	677	978	1074	1343	1732	Sedgwick.....	368	382	477	643	766
Summit.....	474	568	727	1012	1246	Teller.....	368	436	581	808	814
Washington.....	368	382	477	643	766	Yuma.....	368	382	477	643	766

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

PAGE 6

C O N N E C T I C U T

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Components of FMR AREA within STATE
Bridgeport, CT PMSA.....	455	592	713	891	1112		Fairfield county towns of Bridgeport town, Easton town, Fairfield town, Monroe town, Shelton town, Stratford town, Trumbull town
Danbury, CT PMSA.....	570	682	851	1124	1295		New Haven county towns of Ansonia town, Beacon Falls town, Derby town, Milford town, Oxford town, Seymour town, Fairfield county towns of Bethel town, Brookfield town, Danbury town, New Fairfield town, Newtown town, Redding town, Ridgefield town, Sherman town, Litchfield county towns of Bridgewater town, New Milford town, Roxbury town, Washington town, Hartford county towns of Avon town, Berlin town, Bloomfield town, Bristol town, Burlington town, Canton town, East Granby town, East Hartford town, East Windsor town, Enfield town, Farmington town, Glastonbury town, Granby town, Hartford town, Manchester town, Marlborough town, New Britain town, Newington town, Plainville town, Rocky Hill town, Simsbury town, Southington town, South Windsor town, Suffield town, West Hartford town, Wethersfield town, Windsor town, Windsor Locks town
Hartford, CT PMSA.....	425	528	675	847	1029		Litchfield county towns of Barkhamsted town, Harwinton town, New Hartford town, Plymouth town, Winchester town
New Haven-Meriden, CT PMSA.....	541	664	822	1052	1219		Middlesex county towns of Cromwell town, Durham town, East Haddam town, East Hampton town, Haddam town, Middlefield town, Middletown town, Portland town, New London county towns of Colchester town, Lebanon town, Tolland county towns of Andover town, Bolton town, Columbia town, Coventry town, Ellington town, Hebron town, Mansfield town, Somers town, Stafford town, Tolland town, Vernon town, Willington town, Windham county towns of Ashford town, Chaplin town, Windham town
New London-Norwich, CT-RI MSA.....	480	580	706	884	1010		Middlesex county towns of Clinton town, Killingworth town, New Haven county towns of Bethany town, Branford town, Cheshire town, East Haven town, Guilford town, Hamden town, Madison town, Meriden town, New Haven town, North Branford town, North Haven town, Orange town, Wallingford town, West Haven town, Woodbridge town, Middlesex county towns of Old Saybrook town, New London county towns of Bozrah town, East Lyme town, Franklin town, Griswold town, Groton town, Ledyard town, Lisbon town, Montville town, New London town, North Stonington t, Norwich town, Old Lyme town, Preston town, Salem town, Sprague town, Stonington town, Waterford town

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR.

091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

C O N N E C T I C U T continued

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Components of FMR AREA within STATE

Stamford-Norwalk, CT PMSA..... 728 853 1040 1394 1540 Fairfield county towns of Darien town, Greenwich town
New Canaan town, Norwalk town, Stamford town
Weston town, Westport town, Wilton town
Litchfield county towns of Bethlem town, Thomaston town
Watertown town, Woodbury town
New Haven county towns of Middlebury town, Naugatuck town
Prospect town, Southbury town, Waterbury town
Wolcott town

Windham county towns of Thompson town

NONMETROPOLITAN COUNTIES

O BR 1 BR 2 BR 3 BR 4 BR Towns within non metropolitan counties

Hartford..... 350 565 638 886 1045 Hartland town
Litchfield..... 406 553 738 922 1049 Canaan town, Colebrook town, Cornwall town, Goshen town
Kent town, Litchfield town, Morris town, Norfolk town
North Canaan town, Salisbury town, Sharon town
Torrington town, Warren town
Middlesex..... 602 682 911 1266 1493 Chester town, Deep River town, Essex town
Westbrook town
New London..... 510 624 709 916 1162 Lyme town, Voluntown town
Tolland..... 350 565 638 886 892 Union town
Windham..... 402 492 638 798 1002 Brooklyn town, Eastford town, Hampton town
Killingly town, Pomfret town, Putnam town, Scotland town
Sterling town, Woodstock town

D E L A W A R E

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Dover, DE MSA..... 468 519 591 767 872 Kent
Wilmington-Newark, DE-MD PMSA..... 416 550 640 870 1050 New Castle

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Sussex..... 412 437 558 733 782

D I S T . O F C O L U M B I A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Washington, DC-MD-VA..... 595 676 794 1081 1303 District of Columbia

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

F L O R I D A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Daytona Beach, FL MSA.....	386	451	578	767	814	Flagler, Volusia
Fort Lauderdale, FL MSA.....	483	567	702	977	1151	Broward
Fort Myers-Cape Coral, FL MSA.....	429	495	597	833	870	Lee
Fort Pierce-Port Lucie, FL MSA.....	441	484	627	816	880	Martin, St. Lucie
Fort Walton Beach, FL MSA.....	386	421	477	648	764	Ocala
Gainesville, FL MSA.....	386	421	512	701	828	Alachua
Jacksonville, FL MSA.....	403	451	544	719	799	Clay, Duval, Nassau, St. Johns
Lakeland-Winter Haven, FL MSA.....	386	421	477	606	694	Polk
Melbourne-Titusville-Palm Bay, FL MSA.....	386	458	574	768	896	Brevard
Miami, FL MSA.....	471	591	737	1013	1174	Dade
Naples, FL MSA.....	413	582	699	972	1084	Collier
Ocala, FL MSA.....	386	421	477	627	736	Marion
Orlando, FL MSA.....	478	544	648	851	1038	Lake, Orange, Osceola, Seminole
Panama City, FL MSA.....	386	421	477	610	654	Bay
Pensacola, FL MSA.....	386	421	477	639	754	Escambia, Santa Rosa
Punta Gorda, FL MSA.....	386	442	588	817	964	Charlotte
Sarasota-Bradenton, FL MSA.....	387	491	624	804	874	Manatee, Sarasota
Tallahassee, FL MSA.....	395	436	576	753	907	Gadsden, Leon
Tampa-St. Petersburg-Clearwater, FL MSA.....	378	450	557	741	897	Hernando, Hillsborough, Pasco, Pinellas
West Palm Beach-Boca Raton, FL MSA.....	472	552	683	908	1122	Palm Beach

NONMETROPOLITAN COUNTIES

O BR 1 BR 2 BR 3 BR 4 BR

Baker.....	372	407	460	571	621
Calhoun.....	372	407	460	571	621
Columbia.....	372	407	460	571	621
Dixie.....	372	407	460	571	621
Gilchrist.....	372	407	460	571	621
Gulf.....	372	407	460	571	621
Hardee.....	372	407	460	571	621
Highlands.....	372	407	460	571	621
Indian River.....	372	465	598	748	837
Jefferson.....	372	407	460	571	621
Levy.....	372	407	460	571	621
Madison.....	372	407	460	571	621
Okeechobee.....	372	407	460	571	621
Sumter.....	372	407	460	571	621
Taylor.....	372	407	460	571	621
Wakulla.....	372	407	460	571	621
Washington.....	372	407	460	571	621

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR.

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

G E O R G I A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Albany, GA MSA.....	287	337	412	562	608	Dougherty, Lee
Athens, GA MSA.....	355	382	494	674	812	Clarke, Madison, Oconee
Atlanta, GA.....	485	540	630	838	1015	Barrow, Bartow, Cherokee, Clayton, Cobb, Coweta, Dekalb
						Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry
Augusta-Aiken, GA-SC MSA.....	341	408	480	653	772	Newton, Paulding, Rockdale, Spalding
Carroll County, GA.....	321	336	434	604	713	Columbia, McDuffie, Richmond
Chattanooga, TN-GA MSA.....	328	384	460	594	678	Carroll
Columbus, GA-AL MSA.....	332	370	443	580	628	Catoosa, Dade, Walker
Macon, GA MSA.....	372	415	481	664	683	Chattahoochee, Harris, Muscogee
Pickens County, GA.....	279	336	414	575	604	Bibb, Houston, Jones, Peach, Twiggs
Savannah, GA MSA.....	347	430	501	675	702	Pickens
Walton County, GA.....	356	384	495	687	811	Bryan, Chatham, Effingham

NONMETROPOLITAN COUNTIES

O BR 1 BR 2 BR 3 BR 4 BR

Appling.....	270	326	398	516	586	Atkinson.....	270	326	398	516	586
Bacon.....	270	326	398	516	586	Baker.....	270	326	398	516	586
Baldwin.....	270	346	422	540	590	Banks.....	270	326	398	516	586
Ben Hill.....	270	326	398	516	594	Berrien.....	270	326	398	516	586
Bleckley.....	270	326	398	516	586	Brantley.....	270	326	398	516	586
Brooks.....	270	326	398	516	586	Bulloch.....	326	331	425	547	695
Burke.....	270	326	398	516	586	Butts.....	270	357	475	635	666
Calhoun.....	270	326	398	516	586	Camden.....	378	428	479	666	787
Candler.....	270	326	398	516	586	Charlton.....	270	326	398	516	586
Chattooga.....	270	326	398	516	586	Clay.....	270	326	398	516	586
Clinch.....	270	326	398	516	586	Coffee.....	270	326	398	516	594
Colquitt.....	270	326	398	516	586	Cook.....	270	326	398	516	586
Crawford.....	270	326	398	516	586	Crisp.....	273	326	398	516	586
Dawson.....	270	351	468	585	722	Decatur.....	270	326	398	516	586
Dodge.....	270	326	398	516	586	Dooly.....	270	326	398	516	586
Early.....	270	326	398	516	586	Echols.....	270	326	398	516	586
Elbert.....	270	326	398	516	586	Emanuel.....	270	326	398	516	586
Evans.....	270	326	398	516	586	Fannin.....	270	326	398	516	586
Floyd.....	270	326	399	527	586	Franklin.....	270	326	398	516	586
Gilmer.....	270	326	398	516	586	Glascock.....	270	326	398	516	586
Glynn.....	377	422	478	641	786	Gordon.....	321	326	406	524	669
Grady.....	275	326	398	516	586	Greene.....	270	326	398	516	586
Habersham.....	290	326	398	516	591	Hall.....	286	435	511	640	715
Hancock.....	270	326	398	516	586	Haralson.....	270	326	398	516	586
Hart.....	270	326	398	516	586	Heard.....	270	326	398	516	586
Irwin.....	270	326	398	516	586	Jackson.....	301	326	409	516	673

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

G E O R G I A continued

NONMETROPOLITAN COUNTIES						NONMETROPOLITAN COUNTIES													
O	BR	1	BR	2	BR	3	BR	4	BR	O	BR	1	BR	2	BR	3	BR	4	BR
Jasper.....	270	326	403	547	586	Jeff Davis.....	270	326	398	516	586	Lowndes.....	303	366	443	622	687		
Jefferson.....	270	326	398	516	594	Jenkins.....	270	326	398	516	586	McIntosh.....	270	326	398	516	586		
Johnson.....	270	326	398	516	586	Lamar.....	270	335	398	516	631	Marion.....	270	326	398	516	586		
Lanier.....	270	326	398	516	586	Laurens.....	276	326	398	516	586	Miller.....	270	326	398	516	586		
Liberty.....	337	375	427	593	598	Lincoln.....	270	326	398	516	586	Monroe.....	270	326	398	525	586		
Long.....	270	351	398	516	586														
Lumpkin.....	270	364	410	548	673														
Macon.....	270	326	398	516	586														
Meriwether.....	270	326	398	516	586														
Mitchell.....	270	326	398	516	586														
Montgomery.....	270	326	398	516	586														
Murray.....	270	326	398	516	586														
Pierce.....	270	326	398	516	586														
Polk.....	270	326	398	538	586														
Putnam.....	270	326	398	516	594														
Rabun.....	270	326	398	516	586														
Schley.....	270	326	398	516	586														
Seminole.....	270	326	398	516	586														
Stewart.....	270	326	398	516	586														
Talbot.....	270	326	398	516	586														
Tattnall.....	270	326	398	516	586														
Telfair.....	270	326	398	516	586														
Thomas.....	270	336	398	516	586														
Toombs.....	270	326	398	516	586														
Treutlen.....	270	326	398	516	586														
Turner.....	270	326	398	516	586														
Upson.....	279	326	398	516	586														
Warren.....	270	326	398	516	586														
Wayne.....	279	326	398	516	586														
Wheeler.....	270	326	398	516	586														
Whitfield.....	270	354	427	545	643														
Wilkes.....	270	326	398	516	586														
Worth.....	270	326	398	516	586														

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

H A W A I I

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Honolulu, HI MSA..... 697 834 982 1327 1436 Honolulu

NONMETROPOLITAN COUNTIES

O BR 1 BR 2 BR 3 BR 4 BR NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Hawaii..... 466 607 697 927 1142

Maui..... 752 932 1137 1469 1663

I D A H O

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Boise City, ID MSA..... 378 432 524 728 861 Ada, Canyon

Pocatello, ID MSA..... 270 313 404 552 651 Bannock

NONMETROPOLITAN COUNTIES

O BR 1 BR 2 BR 3 BR 4 BR NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Adams..... 270 313 404 534 632

Beneva..... 270 313 404 534 632

Blaine..... 417 459 612 853 1005

Bonner..... 310 384 475 659 758

Boundary..... 270 313 404 534 632

Camas..... 270 313 404 534 632

Cassia..... 270 313 404 534 632

Clearwater..... 270 313 404 534 632

Elmore..... 270 313 404 534 632

Fremont..... 270 313 404 534 632

Gooding..... 270 313 404 534 632

Jefferson..... 278 313 404 534 632

Kootenai..... 343 404 528 735 868

Lemhi..... 270 313 404 534 632

Lincoln..... 270 313 404 534 632

Minidoka..... 270 313 404 534 632

Oneida..... 271 313 404 534 632

Payette..... 270 313 404 534 632

Shoshone..... 270 313 404 534 632

Twin Falls..... 270 313 409 538 632

Washington..... 270 313 404 534 632

Bear Lake..... 270 313 404 534 632

Bingham..... 287 313 404 534 632

Boise..... 270 348 404 534 632

Bonneville..... 275 346 475 639 780

Butte..... 270 313 404 534 632

Caribou..... 270 313 404 534 632

Clark..... 270 313 404 534 632

Custer..... 270 313 404 534 632

Franklin..... 270 313 404 534 632

Gem..... 270 313 404 534 632

Idaho..... 270 313 404 534 632

Jerome..... 270 313 404 534 632

Latah..... 270 313 404 534 641

Lewis..... 270 313 404 534 632

Madison..... 270 313 404 534 632

Nez Perce..... 275 313 404 534 632

Owyhee..... 270 313 404 534 632

Power..... 270 313 404 534 632

Teton..... 294 313 404 546 646

Valley..... 281 313 404 534 632

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

PAGE 12

ILLINOIS

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Bloomington-Normal, IL MSA.....	323	394	528	733	774	McLean
Champaign-Urbana, IL MSA.....	331	406	525	720	862	Champaign
Chicago, IL.....	512	615	732	916	1025	Cook, Dupage, Kane, Lake, McHenry, Will
Davenport-Moline-Rock Island, IA-IL MSA.....	270	373	461	597	646	Henry, Rock Island
Decatur, IL MSA.....	257	333	428	578	600	Macon
De Kalb County, IL.....	396	462	585	812	942	Dekalb
Grundy County, IL.....	346	399	531	701	745	Grundy
Kankakee, IL MSA.....	314	380	507	647	710	Kankakee
Kendall County, IL.....	478	545	657	915	920	Kendall
Peoria-Pekin, IL MSA.....	317	350	469	624	766	Peoria, Tazewell, Woodford
Rockford, IL MSA.....	308	394	480	604	704	Boone, Ogle, Winnebago
St. Louis, MO-IL MSA.....	302	368	478	621	687	Clinton, Jersey, Madison, Monroe, St. Clair
Springfield, IL MSA.....	297	367	489	651	740	Menard, Sangamon

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Adams.....	249	280	360	472	573	Alexander.....	249	280	360	472	530
Bond.....	249	280	360	472	530	Brown.....	249	280	360	472	530
Bureau.....	249	280	360	472	530	Calhoun.....	249	280	360	472	530
Carroll.....	249	280	360	472	530	Cass.....	250	280	360	472	530
Christian.....	268	280	362	474	530	Clark.....	249	280	360	472	530
Clay.....	249	280	360	472	530	Coles.....	263	313	417	553	654
Crawford.....	249	280	360	472	530	Cumberland.....	249	280	360	472	530
De Witt.....	253	280	360	476	530	Douglas.....	266	280	360	472	530
Edgar.....	249	280	360	472	530	Edwards.....	249	280	360	472	530
Effingham.....	249	288	360	472	530	Fayette.....	249	280	360	472	530
Ford.....	237	332	432	554	606	Franklin.....	249	280	360	472	530
Fulton.....	249	280	360	472	530	Gallatin.....	249	280	360	472	530
Greene.....	249	280	360	472	530	Hamilton.....	249	281	360	472	530
Hancock.....	249	280	360	472	530	Hardin.....	249	280	360	472	530
Henderson.....	249	280	360	472	530	Iroquois.....	249	280	360	472	530
Jackson.....	302	303	382	543	607	Jasper.....	249	282	360	472	530
Jefferson.....	250	293	367	500	530	Jo Daviess.....	276	298	360	472	530
Johnson.....	249	280	360	472	530	Knox.....	249	280	360	472	547
La Salle.....	249	291	389	526	590	Lawrence.....	249	280	360	472	530
Lee.....	278	286	381	477	536	Livingston.....	249	307	410	528	576
Logan.....	279	296	394	494	619	McDonough.....	249	285	360	472	567
Macoupin.....	249	280	360	472	530	Marion.....	254	280	360	472	530
Marshall.....	249	280	360	472	530	Mason.....	249	280	360	472	537
Massac.....	250	280	360	472	530	Mercer.....	249	280	360	472	530
Montgomery.....	249	280	360	472	530	Morgan.....	249	315	420	558	589

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

I L L I N O I S continued

NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR	NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR
Moultrie.....	249	280	360	485	530		Perry.....	250	280	360	472	530	
Platt.....	249	303	393	537	551		Pike.....	249	280	360	472	530	
Pope.....	249	280	360	472	530		Pulaski.....	249	280	360	472	530	
Putnam.....	249	280	360	472	530		Randolph.....	249	280	360	472	530	
Richland.....	249	280	360	472	530		Saline.....	249	280	360	472	530	
Schuyler.....	249	280	360	472	530		Scott.....	249	280	360	472	530	
Shelby.....	249	280	360	472	530		Stark.....	249	280	360	472	530	
Stephenson.....	263	301	380	476	534		Union.....	249	280	360	472	530	
Vermilion.....	249	317	396	496	554		Wabash.....	249	280	360	472	559	
Warren.....	263	280	360	472	530		Washington.....	249	298	397	498	646	
Wayne.....	249	280	360	472	530		White.....	249	280	360	472	530	
Whiteside.....	263	299	398	499	561		Williamson.....	249	280	362	503	530	

I N D I A N A

METROPOLITAN FMR AREAS

O B R 1 B R 2 B R 3 B R 4 B R Counties of FMR AREA within STATE

Bloomington, IN MSA.....	309	400	532	739	873	Monroe
Cincinnati, OH-KY-IN.....	297	382	511	685	740	Dearborn
Elkhart-Goshen, IN MSA.....	354	404	511	654	750	Elkhart
Evansville-Henderson, IN-KY MSA.....	261	319	414	518	579	Poser, Vanderburgh, Warrick
Fort Wayne, IN MSA.....	303	387	480	619	673	Adams, Allen, De Kalb, Huntington, Wells, Whitley
Gary, IN PMSA.....	351	462	576	723	808	Lake, Porter
Indianapolis, IN MSA.....	346	434	522	654	733	Boone, Hamilton, Hancock, Hendricks, Johnson, Madison
Kokomo, IN MSA.....	326	386	503	647	704	Marion, Morgan, Shelby
Lafayette, IN MSA.....	330	419	559	777	918	Howard, Tipton
Louisville, KY-IN MSA.....	302	388	475	657	693	Clinton, Tippecanoe
Muncie, IN MSA.....	282	351	416	564	666	Clark, Floyd, Harrison, Scott
Ohio County, IN.....	275	310	396	510	561	Delaware
South Bend, IN MSA.....	304	405	533	665	746	St. Joseph
Terre Haute, IN MSA.....	274	321	409	511	570	Clay, Vermillion, Vigo

NONMETROPOLITAN COUNTIES O B R 1 B R 2 B R 3 B R 4 B R

Bartholomew.....	381	411	496	619	815	Benton.....	269	303	387	499	548	
Blackford.....	269	303	399	500	559	Brown.....	269	357	470	653	676	
Carroll.....	269	303	387	499	548	Cass.....	269	303	387	499	548	
Crawford.....	269	303	387	499	548	Daviess.....	269	303	387	499	548	
Decatur.....	269	328	420	543	591	Dubois.....	269	303	387	499	565	
Fayette.....	269	303	388	499	588	Fountain.....	269	303	387	499	548	
Franklin.....	269	303	387	499	613	Fulton.....	296	310	387	521	548	

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091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

I N D I A N A continued

NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR	NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR
Gibson.....	269	303	387	499	548	Grant.....	284	303	387	501	548										
Greene.....	269	303	387	499	548	Henry.....	269	303	387	499	548										
Jackson.....	330	345	427	564	606	Jasper.....	269	326	387	499	548										
Jay.....	269	303	387	499	548	Jefferson.....	269	303	387	499	548										
Jennings.....	281	303	387	499	548	Knox.....	274	303	392	499	549										
Kosciusko.....	269	356	429	556	601	Lagrange.....	274	315	402	523	608										
La Porte.....	274	331	443	567	620	Lawrence.....	269	303	387	503	548										
Marshall.....	318	323	429	541	601	Martin.....	269	303	387	499	548										
Miami.....	269	303	387	499	548	Montgomery.....	314	330	412	522	578										
Newton.....	281	303	387	499	548	Noble.....	310	316	393	508	561										
Orange.....	269	303	387	499	548	Owen.....	269	303	387	499	574										
Parke.....	269	303	387	499	573	Perry.....	269	303	387	499	548										
Pike.....	269	303	387	499	548	Pulaski.....	269	303	387	499	548										
Putnam.....	292	340	419	561	566	Randolph.....	269	303	387	499	548										
Ripley.....	269	303	387	507	574	Rush.....	277	303	387	499	574										
Spencer.....	269	303	387	499	548	Starke.....	269	303	387	499	548										
Steuben.....	329	372	444	554	620	Sullivan.....	269	303	387	499	548										
Switzerland.....	269	303	387	499	548	Union.....	269	303	387	499	548										
Wabash.....	269	303	387	499	548	Warren.....	269	303	387	499	548										
Washington.....	269	303	387	499	548	Wayne.....	269	303	387	499	548										
White.....	269	303	387	499	605																

I O W A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Cedar Rapids, IA MSA.....	264	372	478	666	714	Linn
Davenport-Moline-Rock Island, IA-IL MSA.....	270	373	461	597	646	Scott
Des Moines, IA MSA.....	359	455	559	725	762	Dallas, Polk, Warren
Dubuque, IA MSA.....	280	342	441	563	686	Dubuque
Iowa City, IA MSA.....	331	427	549	762	900	Johnson
Omaha, NE-IA MSA.....	286	392	495	649	728	Pottawattamie
Sioux City, IA-NE MSA.....	329	395	493	615	702	Woodbury
Waterloo-Cedar Falls, IA MSA.....	261	333	416	555	651	Black Hawk

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

I O W A continued

NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR	1	BR	2	BR	3	BR	4	BR		
Adair.....	255	315	396	502	554	Adams.....	255	315	396	502	554
Allamakee.....	255	315	396	507	581	Appanoose.....	255	315	396	502	557
Audubon.....	255	315	396	502	554	Benton.....	262	315	396	502	554
Boone.....	255	335	396	507	601	Bremer.....	255	315	396	502	589
Buchanan.....	269	315	396	502	554	Buena Vista.....	270	315	396	502	554
Butler.....	272	315	396	502	554	Calhoun.....	255	315	396	502	554
Carroll.....	255	315	396	502	554	Cass.....	255	315	396	502	554
Cedar.....	255	319	396	502	554	Cerro Gordo.....	255	334	413	551	578
Cherokee.....	255	315	396	502	554	Chickasaw.....	255	315	396	502	554
Clarke.....	262	315	396	502	554	Clay.....	255	315	396	502	554
Clayton.....	255	315	396	502	554	Clinton.....	255	315	401	502	561
Crawford.....	255	315	396	502	554	Davis.....	255	315	396	502	554
Decatur.....	255	315	396	502	554	Delaware.....	255	315	396	502	554
Des Moines.....	255	325	418	524	585	Dickinson.....	255	315	396	502	554
Emmet.....	255	315	396	502	585	Fayette.....	255	315	396	502	554
Floyd.....	278	315	396	502	554	Franklin.....	262	315	396	502	554
Fremont.....	281	315	396	502	583	Greene.....	255	315	396	502	554
Grundy.....	255	315	396	502	569	Guthrie.....	255	315	396	502	582
Hamilton.....	291	330	400	502	560	Hancock.....	255	315	396	502	554
Hardin.....	255	315	396	502	554	Harrison.....	255	315	396	502	554
Henry.....	255	323	410	513	581	Howard.....	255	315	396	502	578
Humboldt.....	255	315	396	502	554	Ida.....	262	315	396	502	554
Iowa.....	255	315	396	502	554	Jackson.....	255	315	398	502	557
Jasper.....	255	323	409	511	573	Jefferson.....	255	322	429	558	705
Jones.....	264	315	396	502	554	Keokuk.....	255	315	396	502	554
Kossuth.....	255	315	396	502	554	Lee.....	255	315	408	510	572
Louisia.....	255	315	396	502	554	Lucas.....	255	315	396	502	554
Lyon.....	255	315	396	502	554	Madison.....	255	315	411	527	577
Manaska.....	255	315	396	502	554	Marion.....	255	349	429	536	601
Marshall.....	255	315	396	502	554	Mills.....	255	341	402	504	563
Mitchell.....	255	315	396	502	554	Monona.....	255	315	396	502	554
Monroe.....	255	332	396	502	583	Montgomery.....	281	316	396	502	554
Muscatine.....	255	315	418	556	585	O'Brien.....	255	315	396	502	554
Osceola.....	255	315	396	502	554	Page.....	255	315	396	502	554
Palo Alto.....	255	315	396	502	554	Plymouth.....	255	315	413	516	578
Pocahontas.....	255	315	396	502	554	Poweshiek.....	270	335	429	536	601
Ringgold.....	255	315	396	502	554	Sac.....	255	315	396	502	554
Shelby.....	255	315	396	502	554	Sioux.....	255	315	396	502	554
Story.....	332	403	475	659	754	Tama.....	255	315	396	502	554
Taylor.....	255	315	396	502	555	Union.....	255	315	396	502	583

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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I O W A continued

NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR	NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR
Van Buren.....	255	315	396	502	554		Wapello.....	255	315	399	502	558	
Washington.....	255	315	396	502	583		Wayne.....	255	315	396	502	554	
Webster.....	255	315	401	504	562		Winnebago.....	255	320	396	502	554	
Winneshek.....	255	315	396	502	554		Worth.....	255	315	396	502	562	
Wright.....	255	315	396	502	554								

K A N S A S

METROPOLITAN FMR AREAS

Kansas City, MO-KS MSA.....	328	413	496	687	761	Johnson, Leavenworth, Miami, Wyandotte
Lawrence, KS MSA.....	340	407	523	728	838	Douglas
Topeka, KS MSA.....	320	368	478	646	729	Shawnee
Wichita, KS MSA.....	314	377	505	682	737	Butler, Harvey, Sedgwick

NONMETROPOLITAN COUNTIES

Allen.....	260	294	378	487	542	Anderson.....	260	294	378	487	542
Atchison.....	260	294	378	487	581	Barber.....	260	294	378	487	542
Barton.....	260	294	378	487	542	Bourbon.....	260	294	378	487	542
Brown.....	260	294	378	487	542	Chase.....	260	294	378	487	542
Chautauqua.....	260	294	378	487	542	Cherokee.....	260	294	378	487	542
Cheyenne.....	260	294	378	487	542	Clark.....	260	294	378	487	542
Clay.....	260	294	378	487	542	Cloud.....	260	294	378	487	542
Coffey.....	269	294	378	487	566	Comanche.....	260	294	378	487	542
Cowley.....	278	294	378	499	542	Crawford.....	260	294	385	487	542
Decatur.....	260	294	378	487	542	Dickinson.....	260	294	378	487	542
Doniphan.....	260	294	378	487	542	Edwards.....	260	294	378	487	542
Elk.....	260	294	378	487	542	Ellis.....	260	294	378	487	542
Ellsworth.....	260	294	378	487	542	Finney.....	320	343	439	571	722
Ford.....	279	329	410	516	582	Franklin.....	282	294	381	487	595
Geary.....	319	336	420	542	588	Gove.....	260	294	378	487	542
Graham.....	260	294	378	487	542	Grant.....	260	330	378	517	563
Gray.....	260	294	378	487	542	Greeley.....	260	294	378	487	542
Greenwood.....	260	294	378	487	542	Hamilton.....	260	294	378	487	542
Harper.....	260	294	378	487	542	Haskell.....	260	301	378	487	542
Hodgeman.....	260	294	378	487	542	Jackson.....	260	294	378	487	542
Jefferson.....	260	294	385	510	542	Jewell.....	260	294	378	487	542
Kearny.....	289	294	389	523	574	Kingman.....	260	294	378	487	542
Kiowa.....	260	294	378	487	542	Labette.....	260	294	378	487	542
Lane.....	260	294	378	487	542	Lincoln.....	260	294	378	487	542
Linn.....	260	294	378	487	542	Logan.....	260	294	378	487	542
Lyon.....	260	294	378	487	578	Mcpherson.....	262	294	378	487	542

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR.

For example,
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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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K A N S A S continued

NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR 1	BR 2	BR 3	BR 4	O	BR 1	BR 2	BR 3	BR 4		
Marion.....	260	294	378	487	542	Marshall.....	260	294	378	487	542
Meade.....	260	294	378	487	542	Mitchell.....	260	294	378	487	542
Montgomery.....	260	294	378	487	542	Morris.....	260	294	378	487	542
Morton.....	260	316	378	487	542	Nemaha.....	260	294	378	487	542
Neosho.....	260	294	378	487	542	Ness.....	260	294	378	487	542
Norton.....	260	294	378	487	542	Osage.....	260	294	378	487	542
Osborne.....	260	294	378	487	543	Ottawa.....	260	294	378	487	542
Pawnee.....	260	294	378	487	542	Phillips.....	260	294	378	487	542
Pottawatomie.....	260	294	378	487	555	Pratt.....	260	294	378	497	542
Rawlins.....	260	294	378	487	542	Reno.....	260	294	378	487	589
Republic.....	260	294	378	487	542	Rice.....	260	294	378	487	542
Riley.....	322	354	472	590	716	Rooks.....	260	294	378	487	542
Rush.....	260	294	378	487	542	Russell.....	260	294	378	487	542
Saline.....	285	294	389	537	544	Scott.....	260	294	378	497	571
Seward.....	292	318	424	531	593	Sheridan.....	260	294	378	487	542
Sherman.....	260	294	378	487	542	Smith.....	260	294	378	487	542
Stafford.....	260	294	378	487	542	Stanton.....	260	294	378	487	542
Stevens.....	260	295	378	487	557	Sumner.....	260	294	378	510	542
Thomas.....	260	294	378	487	542	Trego.....	260	294	378	487	542
Wabaunsee.....	260	294	378	487	542	Wallace.....	260	294	378	487	542
Washington.....	260	294	378	487	542	Wichita.....	260	294	389	487	605
Wilson.....	260	294	378	487	542	Woodson.....	260	294	378	487	542
K E N T U C K Y											
METROPOLITAN FMR AREAS											
Cincinnati, OH-KY-IN.....	297	382	511	685	740	Boone, Campbell, Kenton					
Clarksville-Hopkinsville, TN-KY MSA.....	322	361	423	578	593	Christian					
Evansville-Henderson, IN-KY MSA.....	261	319	414	518	579	Henderson					
Gallatin County, KY.....	247	337	412	516	675	Gallatin					
Grant County, KY.....	246	293	388	542	640	Grant					
Huntington-Ashland, WV-KY-OH MSA.....	292	342	421	537	591	Boyd, Carter, Greenup					
Lexington, KY MSA.....	326	407	498	679	767	Bourbon, Clark, Fayette, Jessamine, Madison, Scott, Woodford					
Louisville, KY-IN MSA.....	302	388	475	657	693	Bullitt, Jefferson, Oldham					
Owensboro, KY MSA.....	284	295	388	521	545	Davies					
Pendleton County, KY.....	248	287	383	481	538	Pendleton					

K E N T U C K Y

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Cincinnati, OH-KY-IN.....	297	382	511	685	740	Boone, Campbell, Kenton
Clarksville-Hopkinsville, TN-KY MSA.....	322	361	423	578	593	Christian
Evansville-Henderson, IN-KY MSA.....	261	319	414	518	579	Henderson
Gallatin County, KY.....	247	337	412	516	675	Gallatin
Grant County, KY.....	246	293	388	542	640	Grant
Huntington-Ashland, WV-KY-OH MSA.....	292	342	421	537	591	Boyd, Carter, Greenup
Lexington, KY MSA.....	326	407	498	679	767	Bourbon, Clark, Fayette, Jessamine, Madison, Scott
Louisville, KY-IN MSA.....	302	388	475	657	693	Woodford
Owensboro, KY MSA.....	284	295	388	521	545	Bullitt, Jefferson, Oldham
Pendleton County, KY.....	248	287	383	481	538	Daviess
						Pendleton

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR.

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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K E N T U C K Y continued

NONMETROPOLITAN COUNTIES				NONMETROPOLITAN COUNTIES							
O	BR	1	BR	2	BR	3	BR	4			
Adair.....	241	294	347	459	504	Allen.....	241	280	347	448	504
Anderson.....	265	280	363	453	509	Ballard.....	241	280	347	448	504
Barren.....	241	291	347	448	504	Bath.....	241	280	347	448	504
Bell.....	241	280	350	448	504	Boyle.....	286	290	387	485	542
Bracken.....	241	280	347	448	504	Breathitt.....	241	280	347	448	504
Breckinridge.....	241	280	347	448	504	Butler.....	241	280	347	448	504
Caldwell.....	241	280	347	448	504	Calloway.....	241	280	347	448	504
Carlisle.....	241	280	347	448	504	Carroll.....	241	280	347	448	504
Casey.....	241	280	347	448	504	Clay.....	241	280	347	448	504
Clinton.....	241	280	347	448	504	Crittenden.....	241	280	347	448	504
Cumberland.....	241	280	347	448	504	Edmonson.....	241	280	347	448	504
Elliot.....	241	280	347	448	504	Estill.....	241	280	347	448	504
Fleming.....	241	280	347	448	504	Floyd.....	254	308	347	482	553
Franklin.....	241	353	434	560	708	Fulton.....	241	280	347	448	504
Garrard.....	241	280	347	448	504	Graves.....	241	280	347	448	504
Grayson.....	241	280	347	448	504	Green.....	241	280	347	448	504
Hancock.....	241	280	347	452	537	Hardin.....	299	307	384	517	613
Harlan.....	241	365	417	543	641	Harrison.....	241	281	355	448	549
Hart.....	241	280	347	448	504	Henry.....	241	280	347	448	504
Hickman.....	241	280	347	448	504	Hopkins.....	241	280	347	448	509
Jackson.....	241	280	347	448	504	Johnson.....	241	280	347	448	504
Knott.....	241	280	347	448	504	Knox.....	241	333	426	534	655
Larue.....	241	280	347	448	504	Laurel.....	314	354	421	568	588
Lawrence.....	241	280	347	448	504	Lee.....	241	280	347	448	504
Leslie.....	241	280	347	448	504	Letcher.....	241	280	347	448	504
Lewis.....	241	280	347	448	504	Lincoln.....	241	280	347	448	504
Livingston.....	277	280	374	520	524	Logan.....	241	280	347	457	504
Lyon.....	241	280	347	448	504	McCracken.....	272	293	366	469	602
McCreary.....	241	280	347	448	504	McLean.....	241	280	347	448	504
Magoffin.....	241	280	347	448	504	Marion.....	241	280	347	448	504
Marshall.....	241	286	347	448	539	Martin.....	241	280	347	448	504
Mason.....	241	280	347	448	504	Meade.....	249	309	355	470	585
Menifee.....	241	280	347	448	504	Mercer.....	241	280	347	457	504
Metcalfe.....	241	280	347	448	504	Monroe.....	241	280	347	448	504
Montgomery.....	241	280	347	448	504	Morgan.....	241	280	347	448	504
Muhlenberg.....	241	280	347	448	504	Nelson.....	264	280	357	448	504
Nicholas.....	241	280	347	448	504	Ohio.....	241	280	347	448	504
Owen.....	241	280	347	448	517	Owsley.....	241	280	347	448	504
Perry.....	269	280	361	451	506	Pike.....	258	295	357	448	530
Powell.....	241	280	347	448	504	Pulaski.....	264	280	355	449	504

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

K E N T U C K Y continued

NONMETROPOLITAN COUNTIES							NONMETROPOLITAN COUNTIES						
O	BR 1	BR 2	BR 3	BR 4	BR		O	BR 1	BR 2	BR 3	BR 4	BR	
Robertson.....	241	280	347	448	504		Rockcastle.....	241	280	347	448	504	
Rowan.....	241	280	347	448	524		Russell.....	241	280	347	448	504	
Shelby.....	242	318	355	496	504		Simpson.....	241	301	351	449	504	
Spencer.....	241	286	347	448	504		Taylor.....	290	343	384	514	581	
Todd.....	241	280	347	448	504		Trigg.....	241	280	347	448	504	
Trimble.....	241	280	347	448	504		Union.....	241	280	347	448	504	
Warren.....	241	311	416	519	600		Washington.....	241	284	347	448	504	
Wayne.....	241	280	347	448	504		Webster.....	241	280	347	448	504	
Whitley.....	241	280	347	448	504		Wolfe.....	241	280	347	448	504	

L O U I S I A N A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Alexandria, LA MSA.....	267	334	420	582	592	Rapides
Baton Rouge, LA MSA.....	290	361	447	621	733	Ascension, East Baton Rouge, Livingston, West Baton Rouge
Houma, LA MSA.....	263	309	396	550	651	Lafourche, Terrebonne
Lafayette, LA MSA.....	277	319	380	523	619	Lafayette, Acadia, St. Landry, St. Martin
Lake Charles, LA MSA.....	360	418	530	695	870	Calcasieu
Monroe, LA MSA.....	289	324	432	583	605	Ouachita
New Orleans, LA.....	337	386	482	656	793	Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles
St. James Parish, LA.....	255	288	384	479	537	St. John the Baptist, St. Tammany
Shreveport-Bossier City, LA MSA.....	326	370	466	623	764	Bossier, Caddo, Webster

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Allen.....	258	281	346	453	505	Assumption.....	283	304	360	453	505
Avoyle.....	258	281	346	453	507	Beauregard.....	315	343	406	532	584
Bienville.....	258	281	346	459	543	Caldwell.....	258	281	346	453	505
Cameron.....	258	281	346	453	505	Catahoula.....	258	281	346	453	505
Claiborne.....	258	281	346	453	505	Concordia.....	258	281	346	453	505
De Soto.....	258	281	346	453	509	East Carroll.....	258	281	346	453	505
East Feliciana.....	258	281	346	453	505	Evangeline.....	258	281	346	453	505
Franklin.....	258	281	346	453	509	Grant.....	258	281	346	453	505
Iberia.....	273	285	353	453	505	Iberville.....	258	281	346	453	521
Jackson.....	258	281	346	453	505	Jefferson Davis.....	258	281	346	453	513
La Salle.....	258	281	346	453	509	Lincoln.....	304	306	382	524	627
Madison.....	258	281	346	453	505	Morehouse.....	258	281	346	453	505
Natchitoches.....	276	283	365	506	509	Pointe Coupee.....	258	281	346	453	549
Red River.....	258	281	346	453	509	Richland.....	258	281	346	453	509
Sabine.....	258	288	346	453	533	St. Helena.....	258	281	346	453	505
St. Mary.....	283	303	381	519	541	Tangipahoa.....	277	288	370	485	517

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For example,
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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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L O U I S I A N A continued

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Tensas.....	258	281	346	453	505	NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR
Vermilion.....	258	281	346	453	505	Union.....		258	281	346	453	509
Washington.....	258	281	346	453	505	Vernon.....		297	331	377	487	576
West Feliciana.....	258	336	450	563	631	West Carroll.....		258	281	346	453	505
						Winn.....		258	281	346	453	505

M A I N E

METROPOLITAN FMR AREAS

Components of FMR AREA within STATE

Bangor, ME MSA.....	339	414	530	692	743	Penobscot county towns of Bangor city, Brewer city Eddington town, Glenburn town, Hampden town, Hermon town Holden town, Kenduskeag town, Milford town Old Town city, Orono town, Orrington town Penobscot Indian I, Veazie town
Lewiston-Auburn, ME MSA.....	305	376	484	605	678	Waldo county towns of Winterport town Androscoggin county towns of Auburn city, Greene town Lewiston city, Lisbon town, Mechanic Falls tow Poland town, Sabattus town, Turner town, Wales town Cumberland county towns of Cape Elizabeth tow, Casco town Cumberland town, Falmouth town, Freeport town Gorham town, Gray town, North Yarmouth tow Portland city, Raymond town, Scarborough town South Portland cit, Standish town, Westbrook city Windham town, Yarmouth town
Portland, ME MSA.....	369	476	626	783	878	York county towns of Buxton town, Hollis town Limington town, Old Orchard Beach York county towns of Berwick town, Elliot town Kittery town, South Berwick town, York town
Portsmouth-Rochester, NH-ME PMSA.....	424	508	653	836	1026	

NONMETROPOLITAN COUNTIES

Towns within non metropolitan counties

Androscoggin.....	310	382	508	635	711	Durham town, Leeds town, Livermore town Livermore Falls to, Minot town
Aroostook.....	310	363	466	594	683	Baldwin town, Bridgton town, Brunswick town Harpwell town, Harrison town, Naples town New Gloucester tow, Pownal town, Sebago town
Cumberland.....	453	462	615	837	960	
Franklin.....	316	363	466	594	683	
Hancock.....	334	409	506	638	708	
Kennebec.....	322	402	484	606	683	
Knox.....	310	399	518	690	727	
Lincoln.....	403	448	510	709	837	
Oxford.....	310	363	466	594	683	
Penobscot.....	310	363	466	594	683	Alton town, Argyle unorg., Bradford town, Bradley town Burlington town, Carmel town, Carroll plantation Charleston town, Chester town, Clifton town

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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M A I N E continued

NONMETROPOLITAN COUNTIES

Towns within non metropolitan counties

Corinna town, Corinth town, Dexter town, Dixmont town
Drew plantation, East Central Penob., East Millinocket t
Edinburg town, Enfield town, Etna town, Exeter town
Garland town, Greenbush town, Greenfield town
Howland town, Hudson town, Kingman unorg., Lagrange town
Lakeville town, Lee town, Levant town, Lincoln town
Lowell town, Mattawamkeag town, Maxfield town
Medway town, Millinocket town, Mount Chase town
Newburgh town, Newport town, North Penobscot un
Passadumkeag town, Patten town, Plymouth town
Prestiss plantatio, Seboeis plantation, Springfield town
Stacyville town, Stetson town, Twombly unorg.
Webster plantation, Whitney unorg., Winn town
Woodville town

Piscataquis.....	310	363	466	594	683
Sagadahoc.....	436	499	615	819	1010
Somerset.....	324	370	466	594	700
Waldo.....	310	363	466	594	683

Belfast city, Belmont town, Brooks town, Burnham town
Frankfort town, Freedom town, Islesboro town
Jackson town, Knox town, Liberty town, Lincolnville town
Monroe town, Montville town, Morrill town
Northport town, Palermo town, Prospect town
Searsmont town, Searsport town, Stockton Springs t
Swanville town, Thorndike town, Troy town, Unity town
Waldo town

Washington.....	310	363	466	594	683
York.....	382	438	587	734	821

Acton town, Alfred town, Arundel town, Biddeford city
Cornish town, Dayton town, Kennebunk town
Kennebunkport town, Lebanon town, Limerick town
Lyman town, Newfield town, North Berwick town
Ogunquit town, Parsonsfield town, Saco city
Sanford town, Shapleigh town, Waterboro town, Wells town

M A R Y L A N D

METROPOLITAN FMR AREAS

Counties of FMR AREA within STATE

	O	BR	1	BR	2	BR	3	BR	4	BR
Baltimore, MD.....	404	495	604	799	914					
Columbia, MD.....	546	733	853	1128	1410					
Cumberland, MD-WV MSA.....	322	388	476	633	723					
Hagerstown, MD PMSA.....	319	384	472	627	716					
Washington, DC-MD-VA.....	595	676	794	1081	1303					
Wilmington-Newark, DE-MD PMSA.....	416	550	640	870	1050					

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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M A R Y L A N D continued

NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR	NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR
Caroline.....	354	381	477	626	710		Dorchester.....	316	409	477	622	710	
Garrett.....	316	424	477	622	783		Kent.....	320	394	526	657	792	
St. Mary's.....	483	573	661	921	1053		Somerset.....	376	423	477	662	782	
Talbot.....	418	443	591	740	969		Wicomico.....	356	412	531	675	743	
Worcester.....	316	381	478	664	710								

M A S S A C H U S E T T S

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Components of FMR AREA within STATE
Barnstable-Yarmouth, MA MSA.....	454	608	812	1016	1137		Barnstable county towns of Barnstable town, Brewster town, Chatham town, Dennis town, Eastham town, Harwich town, Mashpee town, Orleans town, Sandwich town, Yarmouth town
Boston, MA-NH PMSA.....	595	669	839	1048	1231		Bristol county towns of Berkley town, Dighton town, Mansfield town, Norton town, Taunton city, Essex county towns of Amesbury town, Beverly city, Danvers town, Essex town, Gloucester city, Hamilton town, Ipswich town, Lynn city, Lynnfield town, Manchester town, Marblehead town, Middleton town, Nahant town, Newbury town, Newburyport city, Peabody city, Rockport town, Rowley town, Salem city, Salisbury town, Saugus town, Swampscott town, Topsfield town, Wenham town
							Middlesex county towns of Acton town, Arlington town, Ashland town, Ayer town, Bedford town, Belmont town, Boxborough town, Burlington town, Cambridge city, Carlisle town, Concord town, Everett city, Framingham town, Holliston town, Hopkinton town, Hudson town, Lexington town, Lincoln town, Littleton town, Malden city, Marlborough city, Maynard town, Medford city, Melrose city, Natick town, Newton city, North Reading town, Reading town, Sherborn town, Shirley town, Somerville city, Stoneham town, Stow town, Sudbury town, Townsend town, Wakefield town, Waltham city, Watertown town, Wayland town, Weston town, Wilmington town, Winchester town, Woburn city
							Norfolk county towns of Bellingham town, Braintree town, Brookline town, Canton town, Cohasset town, Dedham town, Dover town, Foxborough town, Franklin town, Holbrook town, Medfield town, Medway town, Millis town, Milton town, Needham town, Norfolk town, Norwood town, Plainville town, Quincy city, Randolph town, Sharon town, Stoughton town, Walpole town, Wellesley town, Westwood town, Weymouth town, Wrentham town, Plymouth county towns of Carver town, Duxbury town, Hanover town, Hingham town, Hull town, Kingston town

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR.

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

M A S S A C H U S E T T S continued

METROPOLITAN FMR AREAS

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	O	BR 1	BR 2	BR 3	BR 4	BR	Components of FMR AREA within STATE
Brockton, MA PMSA.....	432	570	699	870	991		Marshfield town, Norwell town, Pembroke town Plymouth town, Rockland town, Scituate town Wareham town Suffolk county towns of Boston city, Chelsea city Revere city, Winthrop town Worcester county towns of Berlin town, Blackstone town Bolton town, Harvard town, Hopdale town, Lancaster town Mendon town, Milford town, Millville town Southborough town, Upton town Bristol county towns of Easton town, Raynham town Norfolk county towns of Avon town Plymouth county towns of Abington town, Bridgewater town Brockton city, East Bridgewater t, Halifax town Hanson town, Lakeville town, Middleborough town Plympton town, West Bridgewater t, Whitman town Middlesex county towns of Ashby town Worcester county towns of Ashburnham town, Fitchburg city Gardner city, Leominster city, Lunenburg town Templeton town, Westminster town, Winchendon town Essex county towns of Andover town, Boxford town Georgetown town, Groveland town, Haverhill city Lawrence city, Merrimac town, Methuen town North Andover town, West Newbury town Middlesex county towns of Billerica town, Chelmsford town Dracut town, Dunstable town, Groton town, Lowell city Pepperell town, Tewksbury town, Tyngsborough town Westford town Bristol county towns of Acushnet town, Dartmouth town Fairhaven town, Freetown town, New Bedford city Plymouth county towns of Marion town, Mattapoisett town Rochester town Berkshire county towns of Adams town, Cheshire town Dalton town, Hinsdale town, Lanesborough town, Lee town Lenox town, Pittsfield city, Richmond town Stockbridge town Bristol county towns of Attleboro city, Fall River city North Attleborough, Rehoboth town, Seekonk town Somerset town, Swansea town, Westport town Franklin county towns of Sunderland town Hampden county towns of Agawam town, Chicopee city East Longmeadow to, Hampden town, Holyoke city Longmeadow town, Ludlow town, Monson town Montgomery town, Palmer town, Russell town Southwick town, Springfield city, Westfield city West Springfield t, Wilbraham town Hampshire county towns of Amherst town, Belchertown town Easthampton town, Granby town, Hadley town
Fitchburg-Leominster, MA MSA.....	312	438	568	732	795		
Lawrence, MA-NH PMSA.....	445	537	675	843	1039		
Lowell, MA-NH PMSA.....	437	565	683	855	957		
New Bedford, MA MSA.....	419	512	582	727	816		
Pittsfield, MA MSA.....	330	468	578	724	897		
Providence-Fall River-Warwick, RI-MA PMSA.....	396	538	647	812	1000		
Springfield, MA MSA.....	406	502	634	792	973		

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

M A S A C H U S E T T S continued

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METROPOLITAN FMR AREAS

Components of FMR AREA within STATE

	O	BR	1	BR	2	BR	3	BR	4	BR	
Worcester, MA-CT.....	468	567	709	884	991						Hatfield town, Huntington town, Northampton city Southampton town, South Hadley town, Ware town Williamsburg town Hampden county towns of Holland town Worcester county towns of Auburn town, Barre town Boylston town, Brookfield town, Charlton town Clinton town, Douglas town, Dudley town East Brookfield to, Grafton town, Holden town Leicester town, Millbury town, Northborough town Northbridge town, North Brookfield t, Oakham town Oxford town, Paxton town, Princeton town, Rutland town Shrewsbury town, Southbridge town, Spencer town Sterling town, Sturbridge town, Sutton town Uxbridge town, Webster town, Westborough town West Boylston town, West Brookfield to, Worcester city

NONMETROPOLITAN COUNTIES

Towns within non metropolitan counties

	O	BR	1	BR	2	BR	3	BR	4	BR	
Barnstable.....	436	599	797	997	1115						Bourne town, Falmouth town, Provincetown town Truro town, Wellfleet town Alford town, Becket town, Clarksburg town, Egremont town Florida town, Great Barrington t, Hancock town Monterey town, Mount Washington t, New Ashford town New Marlborough to, North Adams city, Otis town Peru town, Sandisfield town, Savoy town, Sheffield town Tyringham town, Washington town, West Stockbridge t Williamstown town, Windsor town
Berkshire.....	367	446	526	722	865						Ashfield town, Bernardston town, Buckland town Charlemont town, Colrain town, Conway town Deerfield town, Erving town, Gill town, Greenfield town Hawley town, Heath town, Leverett town, Leyden town Monroe town, Montague town, New Salem town Northfield town, Orange town, Rowe town, Shelburne town Shutesbury town, Warwick town, Wendell town Whately town Blandford town, Brimfield town, Chester town Granville town, Tolland town, Wales town Chesterfield town, Cummington town, Goshen town Middlefield town, Pelham town, Plainfield town Westhampton town, Worthington town
Dukes.....	590	600	798	998	1118						Athol town, Hardwick town, Hubbardston town New Braintree town, Petersham town, Phillipston town Royalston town, Warren town
Franklin.....	396	491	628	786	949						
Hampden.....	400	544	727	967	1193						
Hampshire.....	560	567	758	948	1062						
Nantucket.....	708	948	1265	1581	1771						
Worcester.....	445	465	619	775	867						

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR.

091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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M I C H I G A N

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Ann Arbor, MI PMSA..... 441 534 659 864 969 Lenawee, Livingston, Washtenaw
 Benton Harbor, MI PMSA..... 359 363 476 596 669 Berrien
 Detroit, MI PMSA..... 345 470 567 709 795 Lapeer, Macomb, Monroe, Oakland, St. Clair, Wayne
 Flint, MI PMSA..... 333 379 474 606 663 Genesee
 Grand Rapids-Muskegon-Holland, MI MSA..... 376 439 536 672 751 Allegan, Kent, Muskegon, Ottawa
 Jackson, MI MSA..... 283 380 481 602 675 Jackson
 Kalamazoo-Battle Creek, MI MSA..... 334 403 508 636 710 Calhoun, Kalamazoo, Van Buren
 Lansing-East Lansing, MI MSA..... 377 443 572 747 863 Clinton, Eaton, Ingham
 Saginaw-Bay City-Midland, MI MSA..... 328 362 481 602 675 Bay, Midland, Saginaw

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Alcona..... 278 316 401 521 595 Alger..... 278 316 401 521 595
 Alpena..... 278 316 401 521 595 Antrim..... 278 332 401 521 595
 Arenac..... 278 316 401 521 595 Baraga..... 278 316 401 521 595
 Barry..... 278 342 456 571 640 Benzie..... 290 316 401 539 595
 Branch..... 321 329 404 552 595 Cass..... 278 316 403 550 595
 Charlevoix..... 337 341 432 588 608 Cheboygan..... 292 316 401 521 609
 Chippewa..... 278 316 401 521 595 Clare..... 288 316 401 521 595
 Crawford..... 304 316 410 559 595 Delta..... 278 316 401 521 595
 Dickinson..... 278 341 421 526 595 Emmet..... 310 372 439 576 613
 Gladwin..... 278 316 401 521 595 Gogebic..... 278 316 401 521 595
 Grand Traverse..... 368 393 525 657 736 Gratiot..... 290 316 401 521 595
 Hillsdale..... 278 316 401 521 595 Houghton..... 278 316 401 521 595
 Huron..... 278 316 401 521 595 Ionia..... 340 344 431 538 604
 Iosco..... 278 316 401 521 595 Iron..... 278 316 401 521 595
 Isabella..... 310 331 443 598 726 Kalkaska..... 278 316 402 523 661
 Keweenaw..... 278 316 401 521 595 Lake..... 281 316 401 521 595
 Leelanau..... 376 407 476 622 780 Luce..... 278 316 401 521 595
 Mackinac..... 278 316 401 521 595 Manistee..... 278 316 401 521 595
 Marquette..... 278 316 401 521 595 Mason..... 278 316 401 521 595
 Mecosta..... 278 316 401 543 644 Menominee..... 278 316 401 521 595
 Missaukee..... 292 316 401 521 595 Montcalm..... 282 316 401 521 595
 Montmorency..... 278 316 401 521 595 Newaygo..... 319 342 402 521 595
 Oceana..... 296 316 401 521 595 Ogemaw..... 289 317 401 521 595
 Ontonagon..... 278 316 401 521 595 Osceola..... 278 316 401 521 595
 Oscoda..... 278 316 401 521 595 Otsego..... 285 344 434 603 700
 Presque Isle..... 278 316 401 521 595 Roscommon..... 307 316 401 521 595
 St. Joseph..... 278 323 401 523 595 Sanilac..... 278 326 401 523 595
 Schoolcraft..... 278 316 401 521 595 Shiawassee..... 278 348 420 584 625
 Tuscola..... 302 329 439 548 613 Wexford..... 278 320 416 544 644

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

MINNESOTA

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Duluth-Superior, MN-WI MSA.....	260	342	440	587	684	St. Louis
Fargo-Moorhead, ND-MN MSA.....	312	430	519	720	771	Clay
Grand Forks, ND-MN MSA.....	323	385	506	698	778	Polk
La Crosse, WI-MN MSA.....	269	347	442	591	716	Houston
Minneapolis-St. Paul, MN-WI MSA.....	378	486	621	841	952	Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey
Rochester, MN MSA.....	298	417	545	755	847	Scott, Sherburne, Washington, Wright
St. Cloud, MN MSA.....	324	418	494	625	796	Benton, Stearns

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Aitkin.....	258	334	446	558	624	Becker.....	255	366	411	513	576
Beltrami.....	255	326	436	571	610	Big Stone.....	255	310	393	493	563
Blue Earth.....	313	378	471	603	766	Brown.....	255	329	393	493	563
Carlton.....	255	310	393	493	563	Cass.....	255	310	393	493	563
Chippewa.....	255	310	393	493	563	Clearwater.....	255	310	393	493	563
Cook.....	302	310	405	553	576	Cottonwood.....	255	310	393	493	563
Crow Wing.....	255	310	414	517	650	Dodge.....	255	310	393	493	563
Douglas.....	255	310	393	493	563	Faribault.....	255	310	393	493	563
Fillmore.....	255	310	393	493	563	Freeborn.....	255	310	401	528	565
Goodhue.....	255	328	438	558	613	Grant.....	255	310	393	493	563
Hubbard.....	260	310	393	493	563	Itasca.....	326	330	430	538	602
Jackson.....	255	310	393	493	563	Kanabec.....	255	320	416	519	582
Kandiyohi.....	255	323	393	493	593	Kittson.....	255	310	393	493	563
Koochiching.....	308	314	418	521	684	Lac qui Parle.....	255	310	393	493	563
Lake.....	255	310	393	493	563	Lake of the Woods.....	255	310	393	493	563
Le Sueur.....	255	310	393	493	607	Lincoln.....	255	310	393	493	563
Lyon.....	255	310	393	493	584	McLeod.....	255	329	438	545	611
Mahnomen.....	255	310	393	493	563	Marshall.....	255	310	393	493	563
Martin.....	255	310	393	493	563	Meeker.....	264	310	393	493	563
Millie Lacs.....	271	310	394	549	647	Morrison.....	283	310	393	493	563
Mower.....	255	310	393	493	563	Murray.....	255	310	393	493	563
Nicollet.....	319	341	455	602	638	Nobles.....	255	310	393	493	563
Norman.....	255	310	393	493	563	Otter Tail.....	255	310	393	493	563
Pennington.....	255	310	393	526	563	Pine.....	282	310	393	496	563
Pipestone.....	255	310	393	493	563	Pope.....	255	310	393	493	563
Red Lake.....	255	321	393	493	563	Redwood.....	255	310	393	493	563
Renville.....	255	310	393	493	563	Rice.....	267	365	486	607	680
Rock.....	255	310	393	493	563	Roseau.....	308	314	412	531	578
Sibley.....	255	310	393	493	563	Steele.....	275	318	424	530	594
Stevens.....	290	367	414	517	580	Swift.....	255	310	393	493	563
Todd.....	255	310	393	493	563	Traverse.....	255	310	393	493	563

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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MISSISSIPPI

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Wabasha..... 255 310 393 493 563
 Waseca..... 282 310 393 493 563
 Wilkin..... 255 310 393 493 563
 Yellow Medicine..... 255 310 393 493 563

MISSISSIPPI

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Biloxi-Gulfport-Pascagoula, MS MSA..... 339 398 458 638 753 Hancock, Harrison, Jackson
 Hattiesburg, MS MSA..... 251 309 377 508 605 Forrest, Lamar
 Jackson, MS MSA..... 345 394 481 640 675 Hinds, Madison, Rankin
 Memphis, TN-AR-MS MSA..... 331 385 453 629 661 Desoto

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Adams..... 240 284 353 452 577
 Amite..... 240 284 351 452 509
 Benton..... 240 284 351 452 509
 Calhoun..... 240 284 351 452 509
 Chickasaw..... 240 284 351 452 509

Claiborne..... 240 284 351 452 509
 Clay..... 240 284 351 452 514
 Copiah..... 240 284 351 452 509
 Franklin..... 243 284 351 452 509
 Greene..... 240 284 351 452 509

Holmes..... 240 284 351 452 509
 Issaquena..... 252 346 459 575 644
 Jasper..... 240 284 351 452 509
 Jefferson Davis..... 240 284 351 452 509
 Kemper..... 242 284 351 452 509

Lauderdale..... 240 309 389 504 545
 Leake..... 240 284 351 452 509
 Leflore..... 240 284 351 453 544
 Lowndes..... 296 319 378 474 535
 Marshall..... 240 284 351 452 517

Montgomery..... 240 284 351 452 509
 Newton..... 240 284 351 452 509
 Oktibbeha..... 294 306 374 520 614
 Pearl River..... 252 284 351 454 509
 Pike..... 244 284 351 452 509

Prentiss..... 243 284 351 452 509

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

MISSISSIPPI continued

NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR
Scott.....	240	284	351	452	509	
Simpson.....	243	284	351	452	509	
Stone.....	240	284	351	452	509	
Tallahatchie.....	240	284	351	452	509	
Tippah.....	240	284	351	452	509	
Tunica.....	240	284	351	452	509	
Walthall.....	240	284	351	452	509	
Washington.....	259	308	412	532	585	
Webster.....	242	284	351	452	509	
Winston.....	240	284	351	452	509	
Yazoo.....	244	284	351	452	509	

MISSOURI

METROPOLITAN FMR AREAS

Columbia, MO MSA.....	O	BR 1	BR 2	BR 3	BR 4	BR
Joplin, MO MSA.....	251	353	459	639	753	Boone
Kansas City, MO-KS MSA.....	245	283	376	495	532	Jasper, Newton
St. Joseph, MO MSA.....	328	413	496	687	761	Cass, Clay, Clinton, Jackson, Lafayette, Platte, Ray
St. Louis, MO-IL MSA.....	235	285	381	480	533	Andrew, Buchanan
Springfield, MO MSA.....	302	368	478	621	687	Crawford-Sullivan (part), Franklin, Jefferson, Lincoln
						St. Charles, St. Louis, Warren, St. Louis city
	257	326	421	581	606	Christian, Greene, Webster

NONMETROPOLITAN COUNTIES

O	BR 1	BR 2	BR 3	BR 4	BR
Adair.....	230	287	381	479	575
Audrain.....	245	265	341	460	532
Barton.....	230	265	341	443	507
Benton.....	259	265	351	443	507
Butler.....	230	265	341	443	507
Callaway.....	272	276	366	465	602
Cape Girardeau.....	237	291	387	515	632
Carter.....	230	265	341	443	507
Chariton.....	230	265	341	443	507
Cole.....	230	303	404	539	565
Crawford.....	252	303	342	450	507
Dallas.....	230	265	341	443	507
Dekalb.....	238	265	341	448	507
Douglas.....	230	265	341	443	507
Gasconade.....	230	265	341	443	507
Grundy.....	230	265	341	443	507

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

M I S S O U R I continued

NONMETROPOLITAN COUNTIES							O	BR 1	BR 2	BR 3	BR 4	BR	NONMETROPOLITAN COUNTIES							O	BR 1	BR 2	BR 3	BR 4	BR	
Henry.....							262	267	355	446	585		Hickory.....		230	265	341	443	507		230	265	341	443	507	
Holt.....							230	265	341	443	507		Howard.....		230	265	341	443	509		230	265	341	443	509	
Howell.....							230	265	341	443	507		Iron.....		230	265	341	443	507		230	265	341	443	507	
Johnson.....							277	308	402	533	630		Knox.....		230	265	341	443	507		230	265	341	443	507	
Laclede.....							230	265	341	446	507		Lawrence.....		243	272	341	443	507		243	272	341	443	507	
Lewis.....							230	265	341	443	507		Linn.....		230	265	341	443	507		230	265	341	443	507	
Livingston.....							230	265	342	443	507		Mcdonald.....		230	265	341	443	507		230	265	341	443	507	
Macon.....							230	265	341	443	507		Madison.....		230	265	341	443	507		230	265	341	443	507	
Maries.....							230	265	341	443	507		Marion.....		230	265	341	443	507		230	265	341	443	507	
Mercer.....							230	265	341	443	507		Miller.....		252	303	341	446	527		252	303	341	446	527	
Mississippi.....							230	265	341	443	507		Moniteau.....		230	265	341	443	507		230	265	341	443	507	
Monroe.....							230	265	341	443	507		Montgomery.....		230	265	341	443	507		230	265	341	443	507	
Morgan.....							230	265	341	443	507		New Madrid.....		230	265	341	443	507		230	265	341	443	507	
Nodaway.....							242	293	361	459	554		Oregon.....		230	265	341	443	507		230	265	341	443	507	
Osage.....							230	265	341	443	507		Ozark.....		230	265	341	443	507		230	265	341	443	507	
Pemiscot.....							230	265	341	443	507		Perry.....		267	272	362	482	507		267	272	362	482	507	
Pettis.....							246	289	387	486	582		Phelps.....		238	285	365	496	538		238	285	365	496	538	
Pike.....							230	265	341	443	534		Polk.....		230	266	341	443	532		230	266	341	443	532	
Pulaski.....							230	322	361	478	534		Putnam.....		230	265	341	443	507		230	265	341	443	507	
Ralls.....							230	265	341	443	507		Randolph.....		230	265	341	443	507		230	265	341	443	507	
Reynolds.....							230	265	341	443	507		Ripley.....		230	265	341	443	507		230	265	341	443	507	
St. Clair.....							230	265	341	443	507		Ste. Genevieve.....		230	274	351	450	570		230	274	351	450	570	
St. Francois.....							242	305	387	485	636		Saline.....		230	265	349	443	507		230	265	349	443	507	
Schuyler.....							230	265	341	443	507		Scotland.....		230	265	341	443	507		230	265	341	443	507	
Scott.....							277	279	372	502	578		Shannon.....		230	265	341	443	507		230	265	341	443	507	
Shelby.....							230	265	341	443	507		Stoddard.....		230	265	341	443	507		230	265	341	443	507	
Stone.....							267	284	352	450	507		Sullivan.....		230	265	341	443	507		230	265	341	443	507	
Taney.....							260	287	376	507	597		Texas.....		230	265	341	443	507		230	265	341	443	507	
Vernon.....							230	265	341	453	507		Washington.....		269	325	364	455	510		269	325	364	455	510	
Wayne.....							230	265	341	443	507		Worth.....		230	265	341	443	507		230	265	341	443	507	
Wright.....							230	265	341	443	507															
M O N T A N A																										
METROPOLITAN FMR AREAS																										
Billings, MT MSA.....							304	353	473	635	770	Yellowstone	Counties of FMR AREA within STATE													
Great Falls, MT MSA.....							304	351	463	603	718	Cascade														

M O N T A N A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Billings, MT MSA.....	304	353	473	635	770	Yellowstone
Great Falls, MT MSA.....	304	351	463	603	718	Cascade

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

M O N T A N A continued

NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR	1	BR	2	BR	3	BR	4	BR		
Beaverhead.....	284	329	434	564	659	Big Horn.....	284	329	434	564	659
Blaine.....	284	329	434	564	659	Broadwater.....	284	329	434	564	703
Carbon.....	284	333	434	564	659	Carter.....	284	349	434	564	659
Chouteau.....	284	329	434	564	659	Custer.....	284	329	434	564	659
Daniels.....	284	349	434	564	659	Dawson.....	284	329	434	564	659
Deer Lodge.....	284	329	434	564	659	Fallon.....	284	329	434	564	659
Fergus.....	284	329	434	564	659	Flathead.....	284	330	441	614	723
Gallatin.....	351	409	549	705	902	Garfield.....	284	329	434	564	659
Glacier.....	284	329	434	564	659	Golden Valley.....	284	348	434	564	659
Granite.....	284	329	434	564	659	Hill.....	293	329	434	564	659
Jefferson.....	300	329	434	564	659	Judith Basin.....	284	349	434	564	659
Lake.....	310	329	434	564	659	Lewis and Clark.....	317	371	493	686	812
Liberty.....	284	329	434	564	659	Lincoln.....	310	329	434	564	659
McCone.....	284	347	434	564	659	Madison.....	290	329	434	564	659
Meagher.....	284	349	434	564	659	Mineral.....	284	329	434	564	673
Missoula.....	311	365	486	626	796	Musselshell.....	289	329	434	564	659
Park.....	284	329	434	564	666	Petroleum.....	284	329	434	564	659
Phillips.....	284	329	434	564	659	Pondera.....	284	348	434	564	659
Powder River.....	284	333	434	564	659	Powell.....	289	329	434	564	659
Prairie.....	284	329	434	564	659	Ravalli.....	284	329	434	564	659
Richland.....	284	356	434	564	659	Roosevelt.....	297	329	434	564	659
Rosebud.....	284	329	434	564	659	Sanders.....	284	329	434	564	659
Sheridan.....	292	329	434	564	659	Silver Bow.....	284	329	434	564	659
Stillwater.....	290	329	434	564	659	Sweet Grass.....	307	329	434	564	659
Teton.....	284	329	434	564	659	Toole.....	290	329	434	564	659
Treasure.....	284	329	434	564	659	Valley.....	284	329	434	564	659
Wheatland.....	284	329	434	564	659	Wibaux.....	284	349	434	564	659
N E B R A S K A											
METROPOLITAN FMR AREAS											
O					BR					COUNTIES OF FMR AREA within STATE	
Lincoln, NE MSA.....	300	386	508	675	787	Lancaster					
Omaha, NE-IA MSA.....	286	392	495	649	728	Cass, Douglas, Sarpy, Washington					
Sioux City, IA-NE MSA.....	329	395	493	615	702	Dakota					

N E B R A S K A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Lincoln, NE MSA.....	300	386	508	675	787	Lancaster
Omaha, NE-IA MSA.....	286	392	495	649	728	Cass, Douglas, Sarpy, Washington
Sioux City, IA-NE MSA.....	329	395	493	615	702	Dakota

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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N E B R A S K A continued

NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR	1	BR	2	BR	3	BR	4	BR		
Adams.....	229	307	406	509	610	Antelope.....	229	309	376	483	547
Arthur.....	229	294	376	480	547	Banner.....	229	294	376	481	547
Blaine.....	229	294	376	480	547	Boone.....	229	294	376	480	569
Box Butte.....	248	294	376	481	568	Boyd.....	229	307	376	480	547
Brown.....	229	294	376	480	558	Buffalo.....	233	337	423	528	637
Burt.....	229	294	376	480	547	Butler.....	229	294	376	480	547
Cedar.....	229	294	376	480	547	Chase.....	229	310	376	480	573
Cherry.....	229	309	376	483	569	Cheyenne.....	256	294	376	480	547
Clay.....	229	294	376	480	547	Colfax.....	249	306	376	480	547
Cuming.....	229	310	376	480	547	Custer.....	256	296	376	480	568
Dawes.....	244	294	376	484	571	Dawson.....	251	306	376	484	547
Deuel.....	229	294	376	480	547	Dixon.....	255	294	376	480	547
Dodge.....	229	294	388	510	547	Dundy.....	229	294	376	480	547
Fillmore.....	229	294	376	480	547	Franklin.....	229	294	376	485	547
Frontier.....	257	294	376	480	547	Furnas.....	229	294	376	480	569
Gage.....	229	295	383	487	547	Garden.....	229	306	376	483	571
Garfield.....	229	294	376	480	547	Gosper.....	229	294	376	480	554
Grant.....	229	294	376	480	547	Greeley.....	229	294	376	480	556
Hall.....	275	361	481	634	710	Hamilton.....	229	294	376	484	547
Hartman.....	229	294	376	481	547	Hayes.....	229	308	376	480	569
Hitchcock.....	229	294	376	480	547	Holt.....	229	294	376	480	547
Hooker.....	229	308	376	481	547	Howard.....	229	294	376	480	547
Jefferson.....	229	294	376	480	547	Johnson.....	229	298	376	480	547
Kearney.....	229	294	376	480	571	Keith.....	229	294	376	480	547
Keya Paha.....	229	294	376	480	547	Kimball.....	229	294	376	481	571
Knox.....	229	305	376	480	547	Lincoln.....	235	306	376	480	547
Logan.....	229	294	376	480	572	Loup.....	229	294	376	480	570
McPherson.....	229	294	376	481	547	Madison.....	235	308	408	528	644
Merrick.....	229	294	376	480	547	Morrill.....	229	296	376	480	569
Nance.....	229	294	376	480	547	Nemaha.....	229	294	376	480	547
Nuckolls.....	229	294	376	480	547	Otoe.....	229	294	376	480	572
Pawnee.....	229	294	376	484	547	Perkins.....	229	294	376	480	547
Phelps.....	256	294	376	481	571	Pierce.....	229	294	376	480	547
Platte.....	229	294	376	525	547	Polk.....	229	294	376	480	547
Red Willow.....	229	294	376	480	556	Richardson.....	229	294	376	480	547
Rock.....	229	301	376	480	547	Saline.....	229	307	376	480	547
Saunders.....	229	294	376	480	547	Scotts Bluff.....	233	305	388	480	569
Seward.....	284	294	384	480	547	Sheridan.....	229	294	376	480	548
Sherman.....	229	296	376	480	572	Sioux.....	229	294	376	480	571
Stanton.....	229	294	376	480	547	Thayer.....	229	309	376	480	547

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. O91196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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N E B R A S K A continued

NONMETROPOLITAN COUNTIES						NONMETROPOLITAN COUNTIES					
O	BR 1	BR 2	BR 3	BR 4	BR	O	BR 1	BR 2	BR 3	BR 4	BR
Thomas.....	229	294	376	480	547	Thurston.....	229	294	376	480	547
Valley.....	229	294	376	480	547	Wayne.....	262	294	376	480	569
Webster.....	229	294	376	480	547	Wheeler.....	229	294	376	481	547
York.....	229	294	381	480	547						

N E V A D A

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Las Vegas, NV-AZ MSA.....	446	529	630	877	1035		Clark, Nye
Reno, NV MSA.....	461	534	686	955	1128		Washoe

NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR	NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR
Churchill.....	428	434	580	800	950		Douglas.....	384	561	702	975	1086	
Elko.....	389	444	592	782	973		Esmeralda.....	412	514	579	722	810	
Eureka.....	315	514	579	721	807		Humboldt.....	464	486	586	769	823	
Lander.....	318	493	579	724	949		Lincoln.....	316	475	579	725	811	
Lyons.....	377	451	579	806	950		Mineral.....	320	437	582	763	955	

Pershing.....	438	444	592	741	847		Storey.....	444	450	592	825	973
White Pine.....	316	435	579	782	822		Carson City.....	333	455	608	845	998

N E W H A M P S H I R E

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Components of FMR AREA within STATE
Boston, MA-NH PMSA.....	595	669	839	1048	1231		Rockingham county towns of Seabrook town
Lawrence, MA-NH PMSA.....	445	537	675	843	1039		South Hampton town
Lowell, MA-NH PMSA.....	437	565	683	855	957		Rockingham county towns of Atkinson town, Chester town
Manchester, NH PMSA.....	352	502	627	783	878		Danville town, Derry town, Fremont town, Hampstead town
							Kingston town, Newton town, Plaistow town, Raymond town
							Salem town, Sandown town, Windham town
							Hillsborough county towns of Pelham town
							Hillsborough county towns of Bedford town, Goffstown town
							Manchester city, Weare town
							Merrimack county towns of Allenstown town, Hooksett town
							Rockingham county towns of Auburn town, Candia town
							Londonderry town
Nashua, NH PMSA.....	415	578	717	975	1161		Hillsborough county towns of Anherst town, Brookline town
							Greenfield town, Hollis town, Hudson town
							Litchfield town, Mason town, Merrimack town
							Milford town, Mont Vernon town, Nashua city
							New Ipswich town, Wilton town
Portsmouth-Rochester, NH-ME PMSA.....	424	508	653	836	1026		Rockingham county towns of Brentwood town
							East Kingston town, Epping town, Exeter town
							Greenland town, Hampton town, Hampton Falls town

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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NEW HAMPSHIRE continued

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Components of FMR AREA within STATE

Kensington town, New Castle town, Newfields town
 Newington town, Newmarket town, North Hampton town
 Portsmouth city, Rye town, Stratham town
 Strafford county towns of Barrington town, Dover city
 Durham town, Farmington town, Lee town, Madbury town
 Milton town, Rochester city, Rollinsford town
 Somersworth city

Towns within non metropolitan counties

NONMETROPOLITAN COUNTIES

O BR 1 BR 2 BR 3 BR 4 BR

Belknap..... 416 481 632 853 1038
 Carroll..... 348 477 635 795 993
 Cheshire..... 431 512 655 852 1010
 Coos..... 297 363 466 607 719
 Grafton..... 382 462 615 795 1005
 Hillsborough..... 408 510 680 899 1082

Merrimack..... 429 513 640 820 916

Antrim town, Bennington town, Deering town
 Francetown town, Greenfield town, Hancock town
 Hillsborough town, Lyndeborough town, New Boston town
 Peterborough town, Sharon town, Temple town
 Windsor town
 Andover town, Boscawen town, Bow town, Bradford town
 Canterbury town, Chichester town, Concord city
 Danbury town, Dunbarton town, Epsom town, Franklin city
 Henniker town, Hill town, Hopkinton town, Loudon town
 Newbury town, New London town, Northfield town
 Pembroke town, Pittsfield town, Salisbury town
 Sutton town, Warner town, Webster town, Wilnot town
 Deerfield town, Northwood town, Nottingham town
 Middleton town, New Durham town, Strafford town

Rockingham..... 445 522 698 968 1117
 Strafford..... 394 535 714 895 1003
 Sullivan..... 415 422 546 718 766

NEW JERSEY

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Atlantic-Cape May, NJ PMSA..... 466 529 706 884 1010 Atlantic, Cape May
 Bergen-Passaic, NJ PMSA..... 619 754 885 1179 1454 Bergen, Passaic
 Jersey City, NJ PMSA..... 566 668 778 988 1088 Hudson
 Middlesex-Somerset-Hunterdon, NJ PMSA..... 660 723 903 1227 1416 Hunterdon, Middlesex, Somerset
 Monmouth-Ocean, NJ PMSA..... 544 652 827 1099 1289 Monmouth, Ocean
 Newark, NJ PMSA..... 524 669 806 1015 1283 Essex, Morris, Sussex, Union, Warren
 Philadelphia, PA-NJ PMSA..... 453 558 689 862 1080 Burlington, Camden, Gloucester, Salem
 Trenton, NJ PMSA..... 449 626 762 1032 1246 Mercer
 Vineland-Millville-Bridgeton, NJ PMSA..... 449 547 660 823 924 Cumberland

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

NEW MEXICO

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Albuquerque, NM MSA.....	375	447	559	771	910		Bernalillo, Sandoval, Valencia
Las Cruces, NM MSA.....	280	352	418	573	675		Dona Ana
Santa Fe, NM MSA.....	404	574	709	951	1077		Los Alamos, Santa Fe

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES						NONMETROPOLITAN COUNTIES					
O	BR 1	BR 2	BR 3	BR 4	BR	O	BR 1	BR 2	BR 3	BR 4	BR
Catron.....	261	306	380	510	576	Chaves.....	261	298	393	540	576
Cibola.....	272	298	380	510	576	Colfax.....	261	304	380	510	576
Curry.....	261	304	398	510	576	DeBaca.....	261	298	380	510	576
Eddy.....	268	297	380	510	593	Grant.....	310	353	452	607	685
Guadalupe.....	261	297	380	510	579	Harding.....	261	297	380	510	576
Hidalgo.....	261	297	380	510	576	Lea.....	261	297	380	510	576
Lincoln.....	297	304	401	529	661	Luna.....	288	317	405	544	614
McKinley.....	261	329	418	521	583	Mora.....	261	297	380	510	576
Otero.....	261	297	380	530	576	Quay.....	261	379	427	534	597
Rio Arriba.....	306	313	385	510	576	Roosevelt.....	261	297	380	510	576
San Juan.....	296	317	395	549	650	San Miguel.....	290	297	392	510	576
Sierra.....	261	297	380	510	576	Socorro.....	261	297	380	510	591
Taos.....	358	363	484	605	796	Torrance.....	287	310	380	510	576
Union.....	261	319	380	510	576						

NEW YORK

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Albany-Schenectady-Troy, NY MSA.....	387	475	586	734	821		Albany, Montgomery, Rensselaer, Saratoga, Schenectady
Binghamton, NY MSA.....	344	388	485	617	690		Schoharie
Buffalo-Niagara Falls, NY PMSA.....	348	424	510	638	714		Broome, Tioga
Dutchess County, NY PMSA.....	526	668	825	1072	1253		Erie, Niagara
Elmira, NY MSA.....	344	388	477	602	721		Dutchess
Glens Falls, NY MSA.....	344	452	550	689	771		Chemung
Jamestown, NY MSA.....	344	388	465	602	690		Warren, Washington
Nassau-Suffolk, NY PMSA.....	708	852	1040	1446	1549		Chautauqua
New York, NY PMSA.....	662	738	838	1048	1174		Nassau, Suffolk
Westchester County, NY.....	636	828	1009	1313	1566		Bronx, Kings, New York, Putnam, Queens, Richmond
Newburgh, NY-PA PMSA.....	518	674	824	1045	1193		Rockland
Rochester, NY MSA.....	373	485	591	757	827		Westchester
Syracuse, NY MSA.....	371	448	554	708	786		Orange
Utica-Rome, NY MSA.....	344	388	476	602	690		Genesee, Livingston, Monroe, Ontario, Orleans, Wayne
							Cayuga, Madison, Oneida, Oswego
							Herkimer, Oneida

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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NEW YORK continued

NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR 1	BR 2	BR 3	BR 4	O	BR 1	BR 2	BR 3	BR 4		
Allegany.....	346	390	467	605	692	Cattaraugus.....	346	390	467	605	692
Chenango.....	369	390	467	605	692	Clinton.....	346	390	504	630	706
Columbia.....	433	455	584	765	818	Cortland.....	346	414	519	649	767
Delaware.....	346	390	467	605	743	Essex.....	346	395	495	620	692
Franklin.....	346	390	467	605	692	Fulton.....	346	390	467	605	692
Greene.....	346	449	539	696	848	Hamilton.....	346	417	479	605	692
Jefferson.....	373	440	518	649	725	Lewis.....	346	390	467	605	692
Otsego.....	346	410	471	609	774	St. Lawrence.....	346	390	467	605	692
Schuyler.....	375	400	474	661	778	Seneca.....	370	398	480	621	692
Steuben.....	358	408	467	612	692	Sullivan.....	449	504	614	848	860
Tompkins.....	452	487	626	873	1029	Ulster.....	426	591	712	926	1167
Wyoming.....	346	390	467	605	692	Yates.....	346	390	467	605	692
N O R T H C A R O L I N A											
METROPOLITAN FMR AREAS					Counties of FMR AREA within STATE						
O	BR 1	BR 2	BR 3	BR 4	O	BR 1	BR 2	BR 3	BR 4		
Asheville, NC MSA.....	292	354	461	600	648	Buncombe, Madison	292	354	461	600	648
Charlotte-Gastonia-Rock Hill, NC-SC MSA.....	415	468	526	694	831	Cabarrus, Gaston, Lincoln, Mecklenburg, Rowan, Union	415	468	526	694	831
Fayetteville, NC MSA.....	358	406	455	629	749	Cumberland	358	406	455	629	749
Goldensboro, NC MSA.....	292	337	410	527	616	Wayne	292	337	410	527	616
Greensboro--Winston-Salem--High Point, NC MSA...	368	419	500	689	700	Alamance, Davidson, Davie, Forsyth, Guilford, Randolph	368	419	500	689	700
Greenville, NC MSA.....	382	387	502	676	827	Stokes, Yadkin	382	387	502	676	827
Hickory-Morganton, NC MSA.....	369	402	467	587	698	Alexander, Burke, Caldwell, Catawba	369	402	467	587	698
Jacksonville, NC MSA.....	333	389	439	610	721	Onslow	333	389	439	610	721
Norfolk-Virginia Beach-Newport News, VA-NC MSA...	417	469	556	775	910	Currituck	417	469	556	775	910
Raleigh-Durham-Chapel Hill, NC MSA.....	433	525	617	827	975	Chatham, Durham, Franklin, Johnston, Orange, Wake	433	525	617	827	975
Rocky Mount, NC MSA.....	312	337	410	543	598	Edgecombe, Nash	312	337	410	543	598
Wilmington, NC MSA.....	380	418	512	700	835	Brunswick, New Hanover	380	418	512	700	835
NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR 1	BR 2	BR 3	BR 4	O	BR 1	BR 2	BR 3	BR 4		
Allegany.....	282	331	396	509	603	Anson.....	282	326	396	509	578
Ashe.....	282	326	396	509	578	Avery.....	315	354	432	541	605
Beaufort.....	282	326	396	509	578	Bertie.....	282	326	396	509	578
Bladen.....	282	326	396	509	578	Camden.....	282	360	481	601	675
Carteret.....	320	350	427	593	660	Caswell.....	282	326	396	509	578
Cherokee.....	282	326	396	509	578	Chowan.....	282	326	396	509	578
Clay.....	282	326	396	509	578	Cleveland.....	282	332	396	524	578
Columbus.....	282	326	396	509	578	Craven.....	282	352	425	556	595
Dare.....	293	464	535	732	749	Duplin.....	282	326	396	509	578
Gates.....	282	326	396	509	578	Graham.....	282	326	396	509	578

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

N O R T H C A R O L I N A continued

NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR	NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR
Granville.....	298	326	396	524	592						Greene.....	282	326	396	509	578					
Halifax.....	282	326	396	509	578						Harnett.....	282	326	396	511	578					
Haywood.....	286	326	396	531	578						Henderson.....	328	338	418	556	641					
Hertford.....	282	326	396	509	578						Hoke.....	282	326	396	509	578					
Hyde.....	282	326	396	509	578						Iredell.....	340	349	460	575	644					
Jackson.....	282	326	396	553	723						Jones.....	282	326	396	509	578					
Lee.....	282	360	427	553	599						Lenoir.....	282	326	396	509	578					
McDowell.....	282	344	413	564	668						Macon.....	282	338	396	509	578					
Martin.....	282	326	396	509	578						Mitchell.....	282	369	424	579	605					
Montgomery.....	282	326	396	509	578						Moore.....	282	341	406	555	666					
Northampton.....	282	326	396	509	578						Pamlico.....	282	326	396	509	578					
Pasquotank.....	326	348	434	603	609						Pender.....	282	342	396	509	623					
Perquimans.....	282	326	396	509	578						Person.....	282	326	424	553	647					
Polk.....	282	357	401	509	578						Richmond.....	282	326	396	509	578					
Robeson.....	282	333	396	509	578						Rockingham.....	282	326	396	509	578					
Rutherford.....	285	326	396	509	578						Sampson.....	282	326	396	509	578					
Scotland.....	282	326	396	509	578						Stanly.....	282	326	401	541	578					
Surry.....	282	326	396	509	578						Swain.....	282	326	396	509	578					
Tennessee.....	313	334	423	561	600						Tyrrell.....	282	326	396	509	578					
Vance.....	299	339	396	509	578						Warren.....	282	326	396	509	578					
Washington.....	282	326	396	509	578						Watauga.....	368	442	559	761	917					
Wilkes.....	321	361	407	563	632						Wilson.....	295	326	400	509	578					
Yancey.....	282	332	396	509	596																

N O R T H D A K O T A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Bismarck, ND MSA.....	318	356	475	661	781	Burleigh, Morton
Fargo-Moorhead, ND-MN MSA.....	312	430	519	720	771	Cass
Grand Forks, ND-MN MSA.....	323	385	506	698	778	Grand Forks

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Adams.....	219	274	355	461	538	NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR
Benson.....	249	274	355	461	538	Barnes.....	219	276	367	479	538					
Bottineau.....	219	274	355	461	538	Billings.....	238	274	355	461	538					
Burke.....	238	274	355	461	538	Bowman.....	219	274	355	461	538					
Dickey.....	238	274	355	461	538	Cavalier.....	219	282	377	469	579					
Dunn.....	219	274	355	461	538	Divide.....	219	274	355	461	538					
Emmons.....	219	274	355	461	538	Eddy.....	219	274	355	461	538					
Golden Valley.....	219	281	375	468	538	Foster.....	219	274	357	461	538					
						Grant.....	219	274	355	461	538					

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

N O R T H D A K O T A continued

NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR
Griggs.....	219	274	355	461	538	
Kidder.....	219	274	355	461	538	
Logan.....	219	274	355	461	538	
McIntosh.....	219	274	355	461	538	
McLean.....	232	274	355	461	538	
Mountain.....	242	274	355	461	538	
Oliver.....	219	274	355	461	538	
Pierce.....	219	274	355	475	538	
Ransom.....	223	274	355	461	538	
Richland.....	230	274	362	461	538	
Sargent.....	219	274	355	461	538	
Sioux.....	219	274	355	461	538	
Stark.....	219	274	355	461	538	
Stutsman.....	263	274	359	500	589	
Trail.....	230	292	355	461	538	
Ward.....	219	301	401	543	647	
Williams.....	219	274	355	461	538	

O H I O

METROPOLITAN FMR AREAS

O B R 1 B R 2 B R 3 B R 4 B R Counties of FMR AREA within STATE

Akron, OH PMSA.....	334	406	521	651	730	Portage, Summit
Brown County, OH.....	274	322	403	521	575	Brown
Canton-Massillon, OH MSA.....	272	354	453	566	635	Carroll, Stark
Cincinnati, OH-KY-IN.....	297	382	511	685	740	Clermont, Hamilton, Warren
Cleveland-Lorain-Elyria, OH PMSA.....	335	422	522	663	748	Ashtabula, Cuyahoga, Geauga, Lake, Lorain, Medina
Columbus, OH MSA.....	325	385	494	627	721	Delaware, Fairfield, Franklin, Licking, Madison, Pickaway
Dayton-Springfield, OH MSA.....	336	376	480	619	696	Clark, Greene, Miami, Montgomery
Hamilton-Middletown, OH PMSA.....	299	425	545	681	763	Butler
Huntington-Ashland, WV-KY-OH MSA.....	292	342	421	537	591	Lawrence
Lima, OH MSA.....	272	326	429	547	601	Allen, Auglaize
Mansfield, OH MSA.....	272	326	415	518	580	Crawford, Richland
Parkersburg-Marietta, WV-OH MSA.....	294	351	402	521	536	Washington
Steubenville-Weirton, OH-WV MSA.....	272	321	402	513	572	Jefferson
Toledo, OH MSA.....	340	414	506	652	707	Fulton, Lucas, Wood
Wheeling, WV-OH MSA.....	298	325	402	513	572	Belmont
Youngstown-Warren, OH MSA.....	285	336	420	529	602	Columbiana, Mahoning, Trumbull

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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O H I O continued

NONMETROPOLITAN COUNTIES										NONMETROPOLITAN COUNTIES									
O	BR	1	BR	2	BR	3	BR	4	BR	O	BR	1	BR	2	BR	3	BR	4	BR
Adams.....	267	316	394	504	563	Ashtand.....	267	316	417	520	583								
Athens.....	315	357	420	549	675	Champaign.....	267	325	423	528	592								
Clinton.....	267	342	412	573	578	Coshocton.....	267	316	394	504	563								
Darke.....	293	316	397	504	563	Defiance.....	279	316	418	526	585								
Erie.....	267	356	444	599	726	Fayette.....	290	316	394	504	563								
Gallia.....	267	316	394	504	563	Guernsey.....	267	316	394	504	563								
Hancock.....	338	342	433	553	605	Hardin.....	267	316	394	504	563								
Harrison.....	267	316	394	504	563	Henry.....	288	319	398	513	585								
Highland.....	267	316	394	504	563	Hocking.....	267	316	394	504	563								
Holmes.....	267	316	394	504	563	Huron.....	309	336	420	553	589								
Jackson.....	267	316	394	504	563	Knox.....	314	345	443	572	633								
Logan.....	313	317	410	551	574	Marion.....	267	316	394	504	563								
Meigs.....	267	316	394	504	563	Mercer.....	267	316	394	504	580								
Monroe.....	267	316	394	504	563	Morgan.....	267	321	394	504	563								
Morrow.....	267	316	394	504	563	Muskingum.....	267	316	394	504	563								
Noble.....	267	316	394	504	571	Ottawa.....	267	394	454	617	659								
Paulding.....	267	316	394	504	563	Perry.....	267	316	394	504	563								
Pike.....	281	333	415	531	593	Preble.....	274	324	404	517	578								
Putnam.....	277	316	394	504	563	Ross.....	309	322	394	504	563								
Sandusky.....	267	346	444	559	619	Scioto.....	267	316	394	504	563								
Seneca.....	268	316	394	508	563	Shelby.....	267	325	434	542	607								
Tuscarawas.....	267	316	414	517	580	Union.....	267	370	487	609	706								
Van Wert.....	267	320	394	504	563	Vinton.....	267	316	394	504	563								
Wayne.....	267	353	434	551	607	Williams.....	284	316	394	504	563								
Wyandot.....	267	316	394	504	563														

O K L A H O M A																			
METROPOLITAN FMR AREAS										Counties of FMR AREA within STATE									
Enid, OK MSA.....	284	288	381	531	607	Garfield													
Fort Smith, AR-OK MSA.....	290	294	387	518	543	Sequoyah													
Lawton, OK MSA.....	351	353	449	624	683	Comanche													
Oklahoma City, OK MSA.....	301	328	426	593	663	Canadian, Cleveland, Logan, McClain, Pottawatomie													
Tulsa, OK MSA.....	318	380	498	694	818	Creek, Osage, Rogers, Tulsa, Wagoner													

O K L A H O M A

METROPOLITAN FMR AREAS

O B R 1 B R 2 B R 3 B R 4 B R Counties of FMR AREA within STATE

Enid, OK MSA.....	284	288	381	531	607	Garfield
Fort Smith, AR-OK MSA.....	290	294	387	518	543	Sequoyah
Lawton, OK MSA.....	351	353	449	624	683	Comanche
Oklahoma City, OK MSA.....	301	328	426	593	663	Canadian, Cleveland, Logan, McClain, Oklahoma
Tulsa, OK MSA.....	318	380	498	694	818	Pottawatomie Creek, Osage, Rogers, Tulsa, Wagoner

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

O K L A H O M A continued

NONMETROPOLITAN COUNTIES										O	BR	1	BR	2	BR	3	BR	4	BR
Adair.....	239	274	274	342	342	455	522			Alfalfa.....	239	274	274	342	342	455	522		
Atoka.....	239	274	274	342	342	455	522			Beaver.....	239	278	278	342	342	455	522		
Beckham.....	243	274	274	342	342	455	522			Blaine.....	239	274	274	342	342	455	522		
Bryan.....	239	274	274	342	342	455	522			Caddo.....	239	274	274	342	342	455	522		
Carter.....	239	276	276	345	345	480	522			Cherokee.....	251	283	283	342	342	455	530		
Choctaw.....	239	274	274	342	342	455	522			Cimarron.....	239	274	274	342	342	455	522		
Coal.....	239	274	274	342	342	455	522			Cotton.....	239	274	274	342	342	455	522		
Craig.....	239	274	274	342	342	467	552			Custer.....	239	274	274	350	350	487	563		
Delaware.....	239	274	274	342	342	455	532			Dewey.....	239	274	274	342	342	455	522		
Ellis.....	239	274	274	342	342	455	522			Garvin.....	239	274	274	342	342	455	526		
Grady.....	261	274	274	354	354	482	581			Grant.....	239	274	274	342	342	455	522		
Greer.....	239	274	274	342	342	455	522			Harmon.....	239	274	274	342	342	455	522		
Harper.....	239	274	274	342	342	455	522			Haskell.....	239	274	274	342	342	455	522		
Hughes.....	239	274	274	342	342	455	522			Jackson.....	239	310	310	378	378	496	560		
Jefferson.....	239	274	274	342	342	455	522			Johnston.....	239	274	274	342	342	455	522		
Kay.....	264	280	280	368	368	513	601			Kingfisher.....	239	282	282	349	349	458	522		
Kiowa.....	239	274	274	342	342	455	522			Latimer.....	239	274	274	342	342	455	522		
Le Flore.....	239	274	274	342	342	455	522			Lincoln.....	256	274	274	342	342	455	522		
Love.....	239	274	274	346	346	455	522			McCurtain.....	239	274	274	342	342	455	522		
McIntosh.....	239	274	274	342	342	455	522			Major.....	239	287	287	342	342	475	522		
Marshall.....	239	274	274	342	342	455	522			Mayer.....	239	278	278	370	370	467	522		
Murray.....	239	274	274	342	342	455	522			Muskogee.....	258	291	291	342	342	473	522		
Noble.....	239	274	274	342	342	455	522			Nowata.....	239	274	274	342	342	455	522		
Okfuskee.....	239	274	274	342	342	455	522			Okmulgee.....	243	274	274	342	342	455	522		
Ottawa.....	257	274	274	342	342	455	522			Pawnee.....	269	274	274	354	354	456	522		
Payne.....	276	326	326	417	417	576	646			Pittsburg.....	239	274	274	342	342	455	522		
Pontotoc.....	239	274	274	342	342	455	522			Pushmataha.....	239	274	274	342	342	455	522		
Roger Mills.....	239	274	274	342	342	455	522			Seminole.....	239	274	274	342	342	455	522		
Stephens.....	243	274	274	342	342	455	543			Texas.....	239	284	284	342	342	456	522		
Tillman.....	239	274	274	342	342	455	522			Washington.....	239	328	328	399	399	530	619		
Washita.....	239	274	274	342	342	455	522			Woods.....	239	274	274	342	342	455	522		
Woodward.....	239	274	274	342	342	455	522												

O R E G O N

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Eugene-Springfield, OR MSA.....	324	444	579	809	935	Lane
Medford-Ashland, OR MSA.....	333	437	583	811	904	Jackson
Portland-Vancouver, OR-WA PMSA.....	398	490	604	841	913	Clackamas, Columbia, Multnomah, Washington, Yamhill

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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O R E G O N continued

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Salem, OR PMSA..... 367 432 554 762 799 Marion, Polk

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Baker..... 301 357 463 637 710
Clatsop..... 301 357 467 637 715
Crook..... 301 357 463 637 710
Deschutes..... 372 428 573 797 923
Gilliam..... 301 380 463 637 710Benton..... 318 412 523 787 835
Coos..... 301 368 488 681 710
Curry..... 301 410 544 696 857
Douglas..... 301 357 463 637 759
Grant..... 301 357 463 637 710Harney..... 301 357 463 637 710
Jefferson..... 301 357 463 637 710
Klamath..... 301 357 463 637 754
Lincoln..... 366 371 495 689 748
Malheur..... 301 357 463 637 710Hood River..... 332 373 508 660 780
Josephine..... 301 366 470 637 743
Lake..... 301 357 463 637 710
Linn..... 301 357 463 637 710
Morrow..... 301 357 463 637 710Sherman..... 301 357 463 637 710
Umatilla..... 301 357 463 637 710
Wallowa..... 301 357 463 637 710
Wheeler..... 301 357 463 637 710Tillamook..... 301 357 463 637 710
Union..... 301 357 463 637 710
Wasco..... 367 454 509 693 778

P E N N S Y L V A N I A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Allentown-Bethlehem-Easton, PA MSA..... 400 542 645 840 944 Carbon, Lehigh, Northampton
Altoona, PA MSA..... 278 351 423 549 614 Blair
Erie, PA MSA..... 277 360 425 549 614 Erie
Harrisburg-Lebanon-Carlisle, PA MSA..... 338 433 555 700 778 Cumberland, Dauphin, Lebanon, Perry
Johnstown, PA MSA..... 277 351 423 549 614 Cambria, SomersetLancaster, PA MSA..... 363 446 556 725 780 Lancaster
Newburgh, NY-PA PMSA..... 518 674 824 1045 1193 Pike
Philadelphia, PA-NJ PMSA..... 453 558 689 862 1080 Bucks, Chester, Delaware, Montgomery, Philadelphia
Pittsburgh, PA PMSA..... 323 397 479 600 669 Allegheny, Beaver, Butler, Fayette, Washington
WestmorelandReading, PA MSA..... 288 425 524 655 739 Berks
Scranton-Wilkes-Barre-Hazleton, PA MSA..... 277 387 463 577 698 Columbia, Lackawanna, Luzerne, Wyoming
Sharon, PA MSA..... 303 351 423 549 614 Mercer
State College, PA MSA..... 398 486 602 789 844 Centre
Williamsport, PA MSA..... 277 353 425 549 614 Lycoming

York, PA MSA..... 308 423 524 654 732 York

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091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

PENNSYLVANIA continued

NONMETROPOLITAN COUNTIES						NONMETROPOLITAN COUNTIES					
O	BR 1	BR 2	BR 3	BR 4	BR	O	BR 1	BR 2	BR 3	BR 4	BR
Adams.....	272	365	485	628	795	Armstrong.....	276	364	414	540	679
Bedford.....	272	345	414	540	603	Bradford.....	272	345	421	550	603
Cameron.....	272	345	414	540	603	Clarion.....	272	345	414	540	603
Clearfield.....	272	345	414	540	603	Clinton.....	272	345	414	540	603
Crawford.....	272	345	414	540	603	Elk.....	272	345	414	540	603
Forest.....	272	345	414	540	603	Franklin.....	272	345	419	577	603
Fulton.....	272	345	414	540	603	Greene.....	272	345	414	540	603
Huntingdon.....	272	345	414	540	603	Indiana.....	311	347	414	540	603
Jefferson.....	272	345	414	540	603	Juniata.....	272	345	414	540	603
Lawrence.....	272	345	414	540	603	Mc Kean.....	272	347	414	540	603
Mifflin.....	301	345	414	540	603	Monroe.....	434	517	639	874	976
Montour.....	321	345	434	603	712	Northumberland.....	287	363	443	589	655
Potter.....	272	345	414	540	603	Schuylkill.....	272	345	430	540	603
Snyder.....	327	345	415	540	603	Sullivan.....	272	345	414	540	603
Susquehanna.....	325	345	414	540	640	Tioga.....	272	345	414	540	603
Union.....	328	435	544	680	760	Wayne.....	272	345	414	540	603
Warren.....	272	345	414	540	603	Wayne.....	273	421	496	632	812

RHODE ISLAND

METROPOLITAN FMR AREAS

Components of FMR AREA within STATE		O	BR 1	BR 2	BR 3	BR 4	BR
New London-Norwich, CT-RI MSA.....	480	580	706	884	1010		Washington county towns of Hopkinton town, Westerly town
Providence-Fall River-Warwick, RI-MA PMSA.....	396	538	647	812	1000		Bristol county towns of Barrington town, Bristol town
							Warren town
							Kent county towns of Coventry town, East Greenwich tow
							Warwick city, West Greenwich tow, West Warwick town
							Newport county towns of Jamestown town
							Little Compton tow, Tiverton town
							Providence county towns of Burrillville town
							Central Falls city, Cranston city, Cumberland town
							East Providence ci, Foster town, Gloucester town
							Johnston town, Lincoln town, North Providence t
							North Smithfield t, Pawtucket city, Providence city
							Scituate town, Smithfield town, Woonsocket city
							Washington county towns of Charlestown town, Exeter town
							Narragansett town, North Kingstown to, Richmond town
							South Kingstown to

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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R H O D E I S L A N D continued

NONMETROPOLITAN COUNTIES

NONMETROPOLITAN COUNTIES											
	O	BR	1	BR	2	BR	3	BR	4	BR	Towns within non metropolitan counties
Newport.....	538	627	805	1007	1127	Middletown town, Newport city, Portsmouth town					
Washington.....	636	715	804	1038	1143	New Shoreham town					

S O U T H C A R O L I N A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Augusta-Aiken, GA-SC MSA.....	341	408	480	653	772	Aiken, Edgefield
Charleston-North Charleston, SC MSA.....	383	444	510	678	790	Berkeley, Charleston, Dorchester
Charlotte-Gastonia-Rock Hill, NC-SC MSA.....	415	468	526	694	831	York
Columbia, SC MSA.....	411	452	520	687	790	Lexington, Richland
Florence, SC MSA.....	311	346	449	561	628	Florence
Greenville-Spartanburg-Anderson, SC MSA.....	338	409	462	582	684	Anderson, Cherokee, Greenville, Pickens, Spartanburg
Myrtle Beach, SC MSA.....	403	410	524	656	735	Horry
Sumter, SC MSA.....	328	364	414	566	671	Sumter

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Abbeville.....	277	324	394	505	578	Allendale.....	277	324	394	505	578
Bamberg.....	277	324	394	505	578	Barnwell.....	292	324	396	505	578
Beaufort.....	397	487	560	699	783	Calhoun.....	277	324	394	505	578
Chester.....	277	324	394	505	578	Chesterfield.....	277	324	394	505	578
Clarendon.....	277	324	394	505	578	Colleton.....	277	324	394	505	578
Darlington.....	277	324	394	505	578	Dillon.....	277	324	394	505	578
Fairfield.....	277	372	424	529	592	Georgetown.....	277	352	397	505	602
Greenwood.....	278	324	394	505	578	Hampton.....	277	324	394	505	578
Jasper.....	277	324	394	505	578	Kershaw.....	277	324	394	505	578
Lancaster.....	291	325	394	505	578	Laurens.....	277	324	394	505	578
Lee.....	277	324	394	505	578	McCormick.....	277	324	394	505	616
Marion.....	277	324	394	505	578	Marlboro.....	277	324	394	505	578
Newberry.....	277	324	394	505	578	Oconee.....	277	324	394	505	578
Orangeburg.....	277	324	394	505	578	Saluda.....	277	324	394	505	578
Union.....	277	324	394	505	578	Williamsburg.....	277	324	394	505	578

S O U T H D A K O T A

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Rapid City, SD MSA.....	329	391	521	709	857	Pennington
Sioux Falls, SD MSA.....	318	440	557	705	810	Lincoln, Minnehaha

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR.

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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S O U T H D A K O T A continued

NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR 1	BR 2	BR 3	BR 4	O	BR 1	BR 2	BR 3	BR 4		
Aurora.....	243	325	404	535	619	Beadle.....	243	322	404	535	619
Bennett.....	243	322	404	535	619	Ben Homme.....	270	322	404	535	619
Brookings.....	261	412	457	617	728	Brown.....	243	322	404	535	619
Brule.....	243	322	404	535	619	Buffalo.....	243	322	404	535	625
Butte.....	279	382	508	663	782	Campbell.....	243	322	404	535	619
Charles Mix.....	243	322	404	535	619	Clark.....	243	322	404	535	619
Clay.....	243	322	404	535	664	Codington.....	243	322	404	535	619
Corson.....	243	322	404	535	619	Custer.....	243	322	404	535	619
Davison.....	255	322	404	542	619	Day.....	271	322	404	535	619
Deuel.....	243	322	404	535	619	Dewey.....	243	322	404	535	619
Douglas.....	270	322	404	535	619	Edmunds.....	243	322	404	535	619
Fall River.....	276	322	404	535	619	Faulk.....	243	322	426	535	619
Grant.....	243	322	404	535	619	Gregory.....	244	322	404	535	619
Haakon.....	243	330	404	535	619	Hamlin.....	243	322	404	535	619
Hand.....	243	322	404	535	619	Hanson.....	247	337	450	565	632
Harding.....	243	330	404	535	619	Hughes.....	268	322	426	562	664
Hutchinson.....	243	322	404	535	619	Hyde.....	243	328	404	535	619
Jackson.....	243	327	404	535	619	Jerauld.....	243	325	404	535	619
Jones.....	243	322	404	535	619	Kingsbury.....	266	322	404	535	619
Lake.....	243	327	404	535	619	Lawrence.....	277	400	504	691	781
Lyman.....	243	322	404	535	619	McCook.....	243	322	404	535	619
McPherson.....	243	322	404	535	619	Marshall.....	286	322	404	535	619
Meade.....	341	385	513	672	794	Mellette.....	289	327	404	535	619
Miner.....	243	327	404	535	619	Moody.....	243	322	404	535	619
Perkins.....	243	322	404	535	619	Potter.....	243	322	404	535	619
Roberts.....	243	322	404	535	619	Sanborn.....	243	322	404	535	619
Shannon.....	243	327	404	535	619	Spink.....	265	322	411	535	619
Stanley.....	243	330	404	535	619	Sully.....	243	322	404	535	619
Todd.....	269	322	404	535	619	Tripp.....	243	322	404	535	619
Turner.....	243	322	404	535	619	Union.....	256	322	404	535	619
Walworth.....	243	330	404	535	619	Yankton.....	243	322	404	535	619
Ziebach.....	243	322	404	535	619						

T E N N E S S E E

METROPOLITAN FMR AREAS

METROPOLITAN FMR AREAS				Counties of FMR AREA within STATE					
O	BR 1	BR 2	BR 3	BR 4	O	BR 1	BR 2	BR 3	BR 4
Chattanooga, TN-GA MSA.....	328	384	460	594	678	Hamilton, Marion			
Clarksville-Hopkinsville, TN-KY MSA.....	322	361	423	578	593	Montgomery			
Jackson, TN MSA.....	250	329	441	611	615	Madison			

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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T E N N E S S E E continued

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Johnson City-Kingsport-Bristol, TN-VA MSA..... 289 335 427 555 630 Carter, Hawkins, Sullivan, Unicoi, Washington
 Knoxville, TN MSA..... 289 357 447 596 717 Anderson, Blount, Knox, Loudon, Sevier, Union
 Memphis, TN-AR-MS MSA..... 331 385 453 629 661 Fayette, Shelby, Tipton
 Nashville, TN MSA..... 406 485 598 815 916 Cheatham, Davidson, Dickson, Robertson, Rutherford
 Sumner, Williamson, Wilson

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

Bedford..... 230 296 361 455 506
 Bledsoe..... 230 269 341 447 501
 Campbell..... 232 269 341 447 501
 Carroll..... 230 279 341 447 501
 Claiborne..... 230 269 341 447 501
 Cocke..... 230 269 341 447 501
 Crockett..... 230 269 341 447 501
 Decatur..... 230 269 341 447 501
 Dyer..... 287 291 388 486 605
 Franklin..... 241 269 341 468 550
 Gilles..... 230 293 362 453 507
 Greene..... 230 269 341 447 501
 Hamblen..... 230 270 354 472 501
 Hardeman..... 230 269 341 447 501
 Haywood..... 242 280 374 468 524
 Henry..... 230 269 341 447 501
 Houston..... 230 269 341 447 501
 Jackson..... 230 269 341 447 501
 Johnson..... 230 269 341 447 501
 Lauderdale..... 230 269 343 447 501
 Lewis..... 230 269 341 447 501
 McMinn..... 230 269 341 449 501
 Macon..... 230 269 341 447 501
 Maury..... 330 337 447 561 626
 Monroe..... 230 269 341 447 501
 Morgan..... 230 269 341 447 501
 Overton..... 230 269 341 447 501
 Pickett..... 230 269 341 447 501
 Putnam..... 279 282 362 498 537
 Roane..... 248 269 341 457 550
 Sequatchie..... 230 269 341 447 501
 Stewart..... 230 269 341 447 501
 Van Buren..... 230 269 341 447 501

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

T E N E S E E continued

NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR	NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR
Wayne.....	230	269	341	447	501		Weakley.....	249	269	341	447	501	
White.....	234	269	341	447	501								

T E X A S

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Abilene, TX MSA.....	319	356	459	619	752	Taylor
Amarillo, TX MSA.....	270	341	425	593	699	Potter, Randall
Austin-San Marcos, TX MSA.....	416	503	670	930	1099	Bastrop, Catowell, Hays, Travis, Williamson
Beaumont-Port Arthur, TX MSA.....	308	372	454	601	637	Hardin, Jefferson, Orange
Brazoria, TX PMSA.....	423	471	589	821	966	Brazoria
Brownsville-Harlingen-San Benito, TX MSA.....	324	408	510	638	796	Cameron
Bryan-College Station, TX MSA.....	361	419	530	739	871	Brazos
Corpus Christi, TX MSA.....	337	414	529	720	851	Nueces, San Patricio
Dallas, TX.....	411	472	606	839	992	Collin, Dallas, Denton, Ellis, Hunt, Kaufman, Rockwall
El Paso, TX MSA.....	380	426	505	700	828	El Paso
Fort Worth-Arlington, TX PMSA.....	393	427	555	773	912	Hood, Johnson, Parker, Tarrant
Galveston-Texas City, TX PMSA.....	415	426	535	743	876	Galveston
Henderson County, TX.....	280	332	406	555	666	Henderson
Houston, TX PMSA.....	394	442	573	797	939	Chambers, Fort Bend, Harris, Liberty, Montgomery, Waller
Killeen-Temple, TX MSA.....	379	395	500	696	764	Bell, Coryell
Laredo, TX MSA.....	307	354	465	581	653	Webb
Longview-Marshall, TX MSA.....	304	343	421	574	627	Gregg, Harrison, Upshur
Lubbock, TX MSA.....	291	368	479	666	738	Lubbock
Mc Allen-Edinburg-Mission, TX MSA.....	270	369	423	528	593	Hidalgo
Odessa-Midland, TX MSA.....	291	336	449	625	724	Ector, Midland
San Angelo, TX MSA.....	270	345	419	575	678	Tom Green
San Antonio, TX MSA.....	356	410	531	739	873	Bexar, Comal, Guadalupe, Wilson
Sherman-Denison, TX MSA.....	270	369	446	570	682	Grayson
Texarkana, TX-Texarkana, AR MSA.....	294	360	439	579	614	Bowie
Tyler, TX MSA.....	338	373	456	633	669	Smith
Victoria, TX MSA.....	334	338	427	594	669	Victoria
Waco, TX MSA.....	294	361	475	632	665	McLennan
Wichita Falls, TX MSA.....	324	363	437	582	686	Archer, Wichita

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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T E X A S continued

NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR	1	BR	2	BR	3	BR	4	BR		
Anderson.....	319	359	403	561	567	Andrews.....	265	307	370	496	567
Angelina.....	290	336	379	526	620	Aransas.....	265	327	436	606	610
Armstrong.....	265	307	401	503	567	Atascosa.....	265	307	370	496	567
Austin.....	265	307	370	507	567	Bailey.....	265	307	370	496	567
Bandera.....	285	307	370	503	567	Baylor.....	265	307	370	496	567
Bee.....	265	307	370	496	567	Blanco.....	265	307	392	546	575
Borden.....	265	307	370	496	567	Bosque.....	265	307	370	496	567
Brewster.....	265	307	370	500	599	Briscoe.....	265	307	370	496	567
Brooks.....	265	307	370	496	567	Brown.....	265	307	371	498	609
Burleson.....	265	307	389	526	640	Burnet.....	265	307	378	525	614
Calhoun.....	284	307	370	512	606	Callahan.....	265	307	370	496	567
Camp.....	359	364	455	570	636	Carson.....	265	307	370	496	567
Cass.....	265	307	370	496	567	Castro.....	267	307	370	496	567
Cherokee.....	297	308	377	496	567	Childress.....	265	307	370	496	567
Clay.....	265	313	370	496	578	Cochran.....	265	307	370	496	567
Coke.....	265	307	370	496	567	Coleman.....	265	307	370	496	567
Collingsworth.....	265	307	370	496	567	Colorado.....	265	307	370	496	567
Comanche.....	265	307	370	496	567	Concho.....	265	307	370	496	567
Cooke.....	288	307	390	530	587	Cottle.....	265	307	370	496	567
Crane.....	265	307	370	496	567	Crockett.....	265	307	370	496	567
Crosby.....	265	307	370	496	567	Culberson.....	265	307	370	496	567
Dallam.....	265	307	370	496	567	Dawson.....	265	307	370	496	567
Deaf Smith.....	265	307	370	496	576	Delta.....	265	318	370	496	567
Dewitt.....	265	307	370	496	567	Dickens.....	265	307	370	496	567
Dimmit.....	265	307	370	496	567	Donley.....	265	307	370	496	567
Duval.....	265	307	370	496	567	Eastland.....	265	307	370	496	567
Edwards.....	265	307	370	496	567	Erath.....	275	312	403	522	567
Falls.....	265	307	370	496	567	Fannin.....	269	307	370	498	567
Fayette.....	265	307	370	496	567	Fisher.....	265	307	370	496	567
Floyd.....	265	307	370	496	567	Foard.....	265	307	370	496	567
Franklin.....	265	307	370	512	567	Freestone.....	265	307	370	496	567
Frio.....	265	307	370	496	567	Gaines.....	271	307	370	496	567
Garza.....	265	307	370	496	567	Gillespie.....	265	334	434	596	608
Glasscock.....	265	307	370	496	567	Goliad.....	265	307	370	496	567
Gonzales.....	265	307	370	496	567	Gray.....	291	307	394	496	585
Grimes.....	265	307	370	500	590	Hale.....	265	307	370	496	567
Hall.....	265	307	370	496	567	Hamilton.....	265	307	370	496	567
Hansford.....	265	307	370	496	581	Hardeman.....	265	307	370	496	567
Hartley.....	265	307	370	496	567	Haskell.....	265	307	370	496	567
Hemphill.....	265	342	383	534	567	Hill.....	265	307	370	496	567

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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T E X A S continued

NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES								
O	BR	1	BR	2	BR	3	BR	4	BR				
Hockley.....	271	317	370	370	501	567	Hopkins.....	310	333	392	370	496	587
Houston.....	265	307	370	370	496	567	Howard.....	283	307	370	370	500	567
Hudspeth.....	320	361	403	506	665	665	Hutchinson.....	265	307	383	534	630	630
Irion.....	265	307	370	496	567	567	Jack.....	265	307	370	496	567	567
Jackson.....	265	308	370	496	567	567	Jasper.....	265	307	378	503	618	618
Jeff Davis.....	265	307	370	496	567	567	Jim Hogg.....	265	307	370	496	567	567
Jim Wells.....	265	307	370	496	574	574	Jones.....	265	307	370	496	567	567
Karnes.....	265	307	370	496	567	567	Kendall.....	265	388	436	606	716	716
Kenedy.....	265	307	370	496	567	567	Kent.....	265	307	370	496	567	567
Kerr.....	265	344	430	598	705	705	Kimble.....	265	307	403	505	567	567
King.....	265	307	370	496	567	567	Kinney.....	265	307	370	496	567	567
Kleberg.....	323	334	407	570	671	671	Knox.....	265	307	370	496	567	567
Lamar.....	265	330	388	542	640	640	Lamb.....	265	307	370	496	567	567
Lampasas.....	265	307	370	503	594	594	La Salle.....	265	307	370	496	567	567
Lavaca.....	265	307	370	496	567	567	Lee.....	301	338	380	531	595	595
Leon.....	265	341	382	496	628	628	Limestone.....	265	307	370	496	567	567
Lipscomb.....	265	307	370	496	567	567	Live Oak.....	265	307	370	496	567	567
Llano.....	265	342	455	571	748	748	Loving.....	265	307	370	496	567	567
Lynn.....	265	307	370	496	567	567	Mcculloch.....	273	307	370	496	567	567
Mcmullen.....	265	307	370	496	567	567	Madison.....	265	316	370	496	583	583
Marion.....	265	307	370	496	587	587	Martin.....	265	307	370	496	567	567
Mason.....	265	307	370	496	567	567	Matagorda.....	307	335	416	577	581	581
Maverick.....	265	307	370	496	567	567	Medina.....	265	307	370	496	567	567
Menard.....	265	307	370	496	567	567	Millam.....	265	307	370	496	567	567
Mills.....	265	307	370	496	567	567	Mitchell.....	265	307	370	496	567	567
Montague.....	265	307	370	496	567	567	Moore.....	265	312	370	496	576	576
Morris.....	265	307	370	496	567	567	Motley.....	265	307	370	496	567	567
Nacogdoches.....	280	338	439	548	647	647	Navarro.....	318	334	402	510	567	567
Newton.....	265	307	370	496	567	567	Nolan.....	273	307	370	496	567	567
Ochiltree.....	265	307	370	496	567	567	Oldham.....	265	307	401	503	588	588
Palo Pinto.....	265	307	370	496	589	589	Panola.....	265	313	370	496	567	567
Parmer.....	265	307	370	496	567	567	Pecos.....	265	307	370	500	590	590
Polk.....	297	324	377	507	616	616	Presidio.....	265	307	370	496	567	567
Rains.....	265	344	416	577	581	581	Reagan.....	338	344	457	574	751	751
Real.....	265	307	370	496	567	567	Red River.....	265	342	383	496	567	567
Reeves.....	265	307	370	496	567	567	Refugio.....	265	307	370	496	567	567
Roberts.....	265	310	370	496	567	567	Robertson.....	265	351	393	496	567	567
Runnels.....	265	307	370	496	567	567	Rusk.....	277	307	370	496	567	567
Sabine.....	265	307	370	496	567	567	San Augustine.....	265	307	370	496	567	567
San Jacinto.....	278	314	370	496	579	579	San Saba.....	265	307	370	496	567	567

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

T E X A S continued

NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR	NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR
Schleicher.....	265	307	307	370	370	496	567				Scurry.....	265	307	307	384	384	536	632			
Shackelford.....	265	307	370	496	567						Shelby.....	265	307	370	496	567					
Sherman.....	265	307	370	496	567						Somervell.....	304	342	383	526	567					
Starr.....	265	307	370	496	567						Stephens.....	265	307	370	496	567					
Sterling.....	265	307	370	496	567						Stonewall.....	265	307	370	496	567					
Sutton.....	265	307	370	496	567						Swisher.....	265	307	370	496	567					
Terrell.....	265	307	370	496	567						Terry.....	265	307	370	496	567					
Throckmorton.....	265	307	370	496	567						Titus.....	282	350	337	549	567					
Trinity.....	276	312	370	496	567						Tyler.....	265	307	395	496	567					
Upton.....	265	307	370	496	567						Uvalde.....	265	307	370	496	567					
Val Verde.....	265	352	415	518	611						Van Zandt.....	284	307	384	524	632					
Walker.....	358	381	466	619	653						Ward.....	265	307	370	496	567					
Washington.....	330	336	449	561	737						Wharton.....	265	307	370	496	567					
Wheeler.....	265	307	370	496	567						Wilbarger.....	265	307	370	496	584					
Willacy.....	265	307	370	496	567						Winkler.....	265	307	370	496	567					
Wise.....	265	310	372	519	567						Wood.....	265	307	383	534	630					
Yoakum.....	265	349	430	537	705						Young.....	265	307	370	496	574					
Zapata.....	265	307	370	496	567						Zavala.....	265	307	370	496	567					

U T A H

METROPOLITAN FMR AREAS

Kane County, UT.....	O	BR	1	BR	2	BR	3	BR	4	BR	Counties of FMR AREA within STATE	O	BR	1	BR	2	BR	3	BR	4	BR
Provo-Orem, UT MSA.....	289	355	444	594	716	Kane															
Salt Lake City-Ogden, UT MSA.....	399	421	521	723	855	Utah															
	347	402	510	709	831	Davis, Salt Lake, Weber															
NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR	NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR
Beaver.....	284	349	437	585	704						Box Elder.....	318	352	441	590	710					
Cache.....	318	390	489	654	787						Carbon.....	306	349	437	585	704					
Daggett.....	310	423	563	705	790						Duchesne.....	284	349	437	585	704					
Emery.....	284	349	437	585	704						Garfield.....	284	349	437	585	704					
Grand.....	284	349	437	585	704						Iron.....	290	395	493	616	724					
Juab.....	284	349	437	585	704						Millard.....	284	349	437	585	704					
Morgan.....	284	349	437	585	704						Piute.....	284	349	437	585	704					
Rich.....	284	349	437	585	704						San Juan.....	284	349	437	585	704					
Sanpete.....	284	349	437	585	704						Sevier.....	288	349	437	585	704					
Summit.....	421	519	649	875	1064						Tooele.....	284	363	437	585	704					
Uintah.....	284	349	437	585	704						Wasatch.....	284	363	437	585	704					
Washington.....	351	432	573	766	938						Wayne.....	284	349	437	585	704					

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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V E R M O N T

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR
Burlington, VT MSA.....	393	482	642	876	1056	

Components of FMR AREA within STATE

Chittenden county towns of Burlington city
 Charlotte town, Colchester town, Essex town
 Hinesburg town, Jericho town, Milton town, Richmond town
 St. George town, Shelburne town, South Burlington c
 Williston town, Winoski city
 Franklin county towns of Fairfax town, Georgia town
 St. Albans city, St. Albans town, Swanton town
 Grand Isle county towns of Grand Isle town
 South Hero town

NONMETROPOLITAN COUNTIES

	O	BR 1	BR 2	BR 3	BR 4	BR
--	---	------	------	------	------	----

Towns within non metropolitan counties

Addison.....	378	457	532	741	831	
Bennington.....	352	442	570	724	843	
Caledonia.....	319	381	466	588	674	
Chittenden.....	326	529	596	827	974	

Bolton town, Buel's gore, Huntington town, Underhill town
 Westford town

Essex.....	313	375	466	588	674	
Franklin.....	336	379	466	592	680	

Bakersfield town, Berkshire town, Enosburg town
 Fairfield town, Fletcher town, Franklin town
 Highgate town, Montgomery town, Richford town
 Sheldon town

Grand Isle.....	313	375	466	588	674	
Lamoille.....	313	433	517	710	814	
Orange.....	313	410	504	666	747	
Orleans.....	313	375	466	588	674	
Rutland.....	351	457	558	700	783	

Alburt town, Isle La Motte town, North Hero town

Washington.....	336	420	562	703	788	
Windham.....	377	437	580	736	810	
Windsor.....	404	456	571	732	869	

V I R G I N I A

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR
--	---	------	------	------	------	----

Counties of FMR AREA within STATE

Charlottesville, VA MSA.....	411	486	622	827	927	
Clarke County, VA.....	295	415	538	738	754	
Culpeper County, VA.....	363	530	616	814	974	
Danville, VA MSA.....	281	353	415	558	672	
Johnson City-Kingsport-Bristol, TN-VA MSA.....	289	335	427	555	630	

King George County, VA.....	357	474	533	740	746	
Lynchburg, VA MSA.....	334	367	424	558	672	
Norfolk-Virginia Beach-Newport News, VA-NC MSA..	417	469	556	775	910	

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SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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V I R G I N I A continued

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Richmond-Petersburg, VA MSA.....	454	514	598	832	982	Suffolk city, Virginia Beach city, Williamsburg city Charles City, Chesterfield, Dinwiddie, Goochland, Hanover Henrico, New Kent, Powhatan, Prince George Colonial Heights city, Hopewell city, Petersburg city Richmond city
Roanoke, VA MSA.....	283	353	458	588	733	Botetourt, Roanoke, Salem city
Warren County, VA.....	288	394	526	689	861	Warren
Washington, DC-MD-VA.....	595	676	794	1081	1303	Arlington, Fairfax, Loudoun, Prince William, Spotsylvania Stafford, Alexandria city, Fairfax city Falls Church city, Fauquier, Fredericksburg city Manassas city, Manassas Park city

NONMETROPOLITAN COUNTIES

O BR 1 BR 2 BR 3 BR 4 BR

Acomack.....	327	353	413	548	660	Allegany.....	287	347	408	548	660
Amelia.....	276	347	408	548	660	Appomattox.....	276	347	408	548	660
Augusta.....	276	357	433	570	694	Bath.....	276	347	408	548	660
Bland.....	276	347	408	548	660	Brunswick.....	276	347	408	548	660
Buchanan.....	276	347	408	548	660	Buckingham.....	276	347	408	548	660
Caroline.....	390	395	528	701	739	Carroll.....	276	347	408	548	660
Charlotte.....	276	347	408	548	660	Craig.....	276	347	408	548	660
Cumberland.....	276	377	438	548	660	Dickenson.....	276	347	408	548	660
Essex.....	276	387	458	636	751	Floyd.....	276	347	408	548	660
Franklin.....	276	347	408	548	660	Frederick.....	373	431	518	710	851
Giles.....	276	347	408	548	660	Grayson.....	276	347	408	548	660
Greensville.....	276	357	408	548	660	Halifax.....	276	347	408	548	660
Henry.....	276	347	408	548	660	Highland.....	276	347	408	548	660
King and Queen.....	276	395	445	556	660	King William.....	276	377	423	548	660
Lancaster.....	344	386	436	581	707	Lee.....	276	347	408	548	660
Louisa.....	276	359	442	614	660	Lunenburg.....	276	347	408	548	660
Madison.....	277	411	462	579	758	Mecklenburg.....	276	347	408	548	660
Middlesex.....	276	349	408	548	660	Montgomery.....	284	372	437	607	718
Nelson.....	276	347	408	548	660	Northampton.....	276	347	408	548	660
Northumberland.....	276	347	408	548	660	Nottoway.....	276	347	408	548	660
Orange.....	305	416	556	773	907	Page.....	320	361	408	548	660
Patrick.....	276	347	408	548	660	Prince Edward.....	308	349	408	548	660
Pulaski.....	276	347	408	548	660	Rappahannock.....	280	453	508	706	833
Richmond.....	276	367	412	548	677	Rockbridge.....	276	347	408	548	660
Rockingham.....	276	381	483	662	775	Russell.....	276	347	408	548	660
Shenandoah.....	363	372	459	635	721	Smyth.....	276	347	408	548	660
Southampton.....	276	347	408	548	660	Surry.....	286	347	408	548	660
Sussex.....	276	347	408	548	660	Tazewell.....	276	347	408	548	660

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

V I R G I N I A continued

NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR	NONMETROPOLITAN COUNTIES	O	BR 1	BR 2	BR 3	BR 4	BR
Westmoreland.....	276	372	495	622	805		Wise.....	276	347	408	548	660	
Wythe.....	288	347	408	548	660								

W A S H I N G T O N

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Bellingham, WA MSA.....	383	497	662	914	1085		Whatcom
Bremerton, WA MSA.....	390	449	582	786	956		Kitsap
Olympia, WA MSA.....	400	492	614	846	996		Thurston
Portland-Vancouver, OR-WA PMSA.....	398	490	604	841	913		Clark
Richland-Kennewick-Pasco, WA MSA.....	478	548	655	912	1071		Benton, Franklin
Seattle-Bellevue-Everett, WA PMSA.....	448	545	690	959	1133		Island, King, Snohomish
Spokane, WA MSA.....	322	444	536	728	815		Spokane
Tacoma, WA PMSA.....	362	432	575	800	903		Pierce
Yakima, WA MSA.....	346	426	527	707	738		Yakima

NONMETROPOLITAN COUNTIES

Adams.....	305	366	475	628	696	Asotin.....	305	366	475	628	696
Chelan.....	305	366	475	628	696	Clallam.....	356	441	561	721	788
Columbia.....	305	366	475	628	696	Cowlitz.....	343	383	494	686	696
Douglas.....	357	377	475	628	696	Ferry.....	305	366	475	628	696
Garfield.....	305	366	475	628	696	Grant.....	328	366	475	628	696
Grays Harbor.....	312	366	480	648	747	Jefferson.....	305	395	485	658	696
Kittitas.....	305	366	475	628	696	Klickitat.....	305	366	475	628	696
Lewis.....	305	366	475	628	696	Lincoln.....	305	366	475	628	696
Mason.....	347	430	529	695	747	Okanogan.....	305	366	475	628	696
Pacific.....	305	366	475	628	696	Pend Oreille.....	305	366	475	628	836
San Juan.....	377	516	687	905	1077	Skagit.....	416	509	600	749	838
Skamania.....	305	366	475	628	696	Stevens.....	305	366	475	628	696
Wahkiakum.....	305	366	475	628	696	Walla Walla.....	305	366	475	636	752
Whitman.....	329	374	499	693	820						

W E S T V I R G I N I A

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Berkeley County, WV.....	354	377	449	561	628		Berkeley
Charleston, WV MSA.....	247	336	426	585	640		Kanawha, Putnam
Cumberland, MD-WV MSA.....	322	388	476	633	723		Mineral
Huntington-Ashland, WV-KY-OH MSA.....	292	342	421	537	591		Cabell, Wayne
Jefferson County, WV.....	358	396	490	636	721		Jefferson

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR.

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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WEST VIRGINIA continued

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Parkersburg-Marietta, WV-OH MSA.....	294	351	402	521	536	Wood	
Steubenville-Weirton, OH-WV MSA.....	272	321	402	513	572	Brooke, Hancock	
Wheeling, WV-OH MSA.....	298	325	402	513	572	Marshall, Ohio	

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Barbour.....	244	310	347	447	519	Boone.....	244 298 347 447 519
Braxton.....	244	298	347	447	519	Calhoun.....	244 298 347 447 519
Clay.....	244	298	347	447	519	Doddridge.....	244 298 347 447 519
Fayette.....	244	298	347	447	519	Gilmer.....	253 298 347 447 519
Grant.....	244	298	347	447	519	Greenbrier.....	269 298 347 447 519
Hampshire.....	244	298	347	447	519	Hardy.....	244 337 360 449 519
Harrison.....	269	330	381	476	571	Jackson.....	244 298 347 447 519
Lewis.....	244	327	347	447	519	Lincoln.....	244 305 347 475 519
Logan.....	250	298	347	447	519	McDowell.....	244 298 347 447 519
Marion.....	244	308	380	488	562	Mason.....	244 298 347 447 519
Mercer.....	244	298	347	447	519	Mingo.....	244 298 347 447 519
Monongalia.....	307	340	415	571	676	Monroe.....	244 298 347 447 519
Morgan.....	301	339	381	478	534	Nicholas.....	244 298 347 447 519
Pendleton.....	244	298	347	447	519	Pleasants.....	252 298 347 447 519
Pocahontas.....	244	298	347	447	519	Preston.....	244 313 347 447 519
Raleigh.....	253	298	347	447	523	Randolph.....	244 298 347 447 519
Ritchie.....	244	298	347	447	519	Roane.....	244 298 347 447 519
Summers.....	244	298	347	447	519	Taylor.....	244 298 347 447 519
Tucker.....	244	298	347	447	519	Tyler.....	299 323 353 447 519
Upshur.....	244	298	347	447	519	Webster.....	244 298 365 458 519
Wetzel.....	277	298	374	468	591	Wirt.....	244 298 347 447 519
Wyoming.....	244	298	347	447	519		

WISCONSIN

METROPOLITAN FMR AREAS

Appleton-Oshkosh-Neenah, WI MSA.....	303	374	474	599	690	Calumet, Outagamie, Winnebago
Duluth-Superior, MN-WI MSA.....	265	342	440	587	684	Douglas
Eau Claire, WI MSA.....	327	356	467	600	676	Chippewa, Eau Claire
Green Bay, WI MSA.....	332	366	469	652	656	Brown
Janesville-Beloit, WI MSA.....	334	421	522	654	733	Rock
Kenosha, WI MSA.....	352	437	537	738	830	Kenosha
La Crosse, WI-MN MSA.....	269	347	442	591	716	La Crosse
Madison, WI MSA.....	415	522	630	876	1033	Dane

Note: The FMRs for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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W I S C O N S I N continued

METROPOLITAN FMR AREAS

	O	BR	1	BR	2	BR	3	BR	4	BR	Counties of FMR AREA within STATE
Milwaukee-Waukesha, WI PMSA.....	356	466	585	733	819						Milwaukee, Ozaukee, Washington, Waukesha
Minneapolis-St. Paul, MN-WI MSA.....	378	486	621	841	952						Pierce, St. Croix
Racine, WI PMSA.....	316	392	517	668	731						Racine
Sheboygan, WI MSA.....	290	373	456	569	705						Sheboygan
Wausau, WI MSA.....	355	368	460	626	695						Marathon

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

	O	BR	1	BR	2	BR	3	BR	4	BR	NONMETROPOLITAN COUNTIES	O	BR	1	BR	2	BR	3	BR	4	BR
Adams.....	264	308	392	501	564						Ashtland.....	288	319	392	501	564					
Barron.....	264	308	392	501	564						Bayfield.....	264	308	392	501	564					
Buffalo.....	264	308	392	501	564						Burnett.....	264	308	392	501	564					
Clark.....	264	308	392	501	564						Columbia.....	264	314	413	541	606					
Crawford.....	264	308	392	501	564						Dodge.....	334	339	446	558	624					
Door.....	264	327	406	522	634						Dunn.....	264	308	403	539	665					
Florence.....	264	308	392	501	564						Fond du Lac.....	307	416	492	669	690					
Forest.....	264	308	392	501	564						Grant.....	268	308	392	501	564					
Green.....	269	308	392	528	564						Green Lake.....	264	308	392	501	564					
Iowa.....	274	308	392	515	564						Iron.....	264	308	392	501	564					
Jackson.....	264	308	392	501	564						Jefferson.....	264	350	455	588	642					
Juneau.....	270	308	392	501	564						Kewaunee.....	264	308	392	501	564					
Lafayette.....	269	308	392	501	564						Langlade.....	264	308	392	501	564					
Lincoln.....	264	308	392	501	564						Manitowoc.....	267	308	392	501	564					
Marquette.....	264	308	392	501	564						Marquette.....	264	308	392	501	564					
Menominee.....	264	308	392	501	564						Monroe.....	264	308	392	523	564					
Oconto.....	264	308	392	501	564						Oneida.....	264	309	392	505	604					
Pepin.....	264	308	392	501	564						Polk.....	264	308	399	501	564					
Portage.....	321	339	440	549	680						Price.....	264	308	392	501	564					
Richland.....	264	308	392	501	564						Rusk.....	264	308	392	501	564					
Sauk.....	309	319	426	531	596						Sawyer.....	264	308	392	501	564					
Shawano.....	269	308	392	501	564						Taylor.....	264	308	392	501	564					
Trempealeau.....	264	308	392	501	564						Vernon.....	264	308	392	501	564					
Vilas.....	264	308	392	501	564						Walworth.....	276	387	504	656	736					
Washburn.....	264	308	392	501	564						Waupaca.....	264	308	392	501	594					
Waushara.....	264	308	392	501	564						Wood.....	287	328	407	510	573					

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

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W Y O M I N G

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Casper, WY MSA.....	298	346	442	606	716		Natrona
Cheyenne, WY MSA.....	337	422	564	721	876		Laramie

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Albany.....	294	369	492	684	808		Big Horn.....
Campbell.....	303	322	413	550	649		Carbon.....
Converse.....	279	322	413	548	630		Crook.....
Fremont.....	279	322	413	548	630		Goshen.....
Hot Springs.....	279	322	413	548	630		Johnson.....
Lincoln.....	279	322	413	548	630		Niobrara.....
Park.....	279	322	413	548	636		Platte.....
Sheridan.....	279	322	413	548	636		Sublette.....
Sweetwater.....	291	322	413	550	649		Teton.....
Uinta.....	293	322	413	549	663		Washakie.....
Weston.....	279	322	413	548	630		

P A C I F I C I S L A N D S

NONMETROPOLITAN COUNTIES O BR 1 BR 2 BR 3 BR 4 BR

	O	BR 1	BR 2	BR 3	BR 4	BR
Pacific Islands.....	664	798	945	1185	1333	

P U E R T O R I C O

METROPOLITAN FMR AREAS

	O	BR 1	BR 2	BR 3	BR 4	BR	Counties of FMR AREA within STATE
Aguadilla, PR MSA.....	201	245	290	361	407		Aguada Municipio, Aguadilla Municipio, Moca Municipio
Arecibo, PR MSA.....	217	263	309	388	435		Arecibo Municipio, Camuy Municipio, Hatillo Municipio
Caguas, PR MSA.....	253	305	360	453	504		Caguas Municipio, Cayey Municipio, Cidra Municipio
Mayaguez, PR MSA.....	239	290	345	428	482		Guabo Municipio, San Lorenzo Municipio
Ponce, PR MSA.....	237	289	341	426	478		Anasco Municipio, Cabo Rojo Municipio
San Juan-Bayamon, PR PMSA.....	319	389	459	574	644		Hormigueros Municipio, Mayaguez Municipio
							Sabana Grande Municipio, San German Municipio
							Guayanilla Municipio, Juana Diaz Municipio
							Penuelas Municipio, Ponce Municipio, Villalba Municipio
							Yauco Municipio
							Agua Buenas Municipio, Barceloneta Municipio
							Bayamon Municipio, Canovanas Municipio
							Carolina Municipio, Catano Municipio, Ceiba Municipio
							Comerio Municipio, Corozal Municipio, Dorado Municipio
							Fajardo Municipio, Florida Municipio, Guaynabo Municipio
							Humacao Municipio, Juncos Municipio
							Las Piedras Municipio, Loiza Municipio
							Luquillo Municipio, Manati Municipio, Morovis Municipio

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR.

091196

SCHEDULE B - 40TH PERCENTILE FAIR MARKET RENTS FOR EXISTING HOUSING

P U E R T O R I C O continued

METROPOLITAN FMR AREAS

O BR 1 BR 2 BR 3 BR 4 BR Counties of FMR AREA within STATE

Naguabo Municipio, Naranjito Municipio
 Rio Grande Municipio, San Juan Municipio
 Toa Alta Municipio, Toa Baja Municipio
 Trujillo Alto Municipio, Vega Alta Municipio
 Vega Baja Municipio, Yabucoa Municipio

NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR 1	BR 2	BR 3	BR 4	O	BR 1	BR 2	BR 3	BR 4		
Adjuntas Municipio.....	193	239	279	352	391	Aibonito Municipio.....	193	239	279	352	391
Arroyo Municipio.....	193	239	279	352	391	Barranquitas Municipio..	193	239	279	352	391
Ciales Municipio.....	193	239	279	352	391	Coamo Municipio.....	193	239	279	352	391
Culebra Municipio.....	193	239	279	352	391	Guánica Municipio.....	193	239	279	352	391
Guayama Municipio.....	193	239	279	352	391	Isabela Municipio.....	193	239	279	352	391
Jayuya Municipio.....	193	239	279	352	391	Lajas Municipio.....	193	239	279	352	391
Lares Municipio.....	193	239	279	352	391	Las Marias Municipio....	193	239	279	352	391
Maricao Municipio.....	193	239	279	352	391	Maunabo Municipio.....	193	239	279	352	391
Orocovis Municipio.....	193	239	279	352	391	Patillas Municipio.....	193	239	279	352	391
Quebradillas Municipio..	193	239	279	352	391	Rincon Municipio.....	193	239	279	352	391
Salinas Municipio.....	193	239	279	352	391	San Sebastian Municipio..	193	239	279	352	391
Santa Isabel Municipio..	193	239	279	352	391	Utua Municipio.....	193	239	279	352	391
Vieques Municipio.....	193	239	279	352	391						
V I R G I N I S L A N D S											
NONMETROPOLITAN COUNTIES					NONMETROPOLITAN COUNTIES						
O	BR 1	BR 2	BR 3	BR 4	O	BR 1	BR 2	BR 3	BR 4		
St. Croix.....	461	560	660	824	924	St. Johns/St. Thomas....	592	719	846	1057	1184

Note: The FMRS for unit sizes larger than 4 BRs are calculated by adding 15% to the 4 BR FMR for each extra bedroom. For example, the FMR for a 5 BR unit is 1.15 times the 4BR FMR, and the FMR for a 6 BR unit is 1.30 times the 4 BR FMR. 091196

SCHEDULE D:**FY 1997 40th PERCENTILE FAIR MARKET RENTS
FOR MANUFACTURED HOME SPACES**

<u>STATE/FMR AREA</u>	<u>SPACE RENT</u>
CALIFORNIA	
Mendocino County, CA	\$236
Orange County, CA PMSA	449
San Diego, CA MSA	388
Vallejo-Fairfield-Napa, CA PMSA	288
COLORADO	
Boulder-Longmont, CO PMSA	282
Denver, CO PMSA	268
DELAWARE	
Dover, DE MSA	163
Sussex County	115
MARYLAND	
Hagerstown, MD MSA	204
St. Marys County	251
MINNESOTA	
Minneapolis-St. Paul, MN-WI MSA	243
NEW YORK	
Dutchess, NY PMSA	329
Jamestown, NY MSA	172
Newburgh, NY MSA	309
Rochester, NY MSA	240
Tompkins County, NY	196
Utica-Rome, NY MSA	215
OREGON	
Salem, OR PMSA	205
Benton County, OR	198
Linn County, OR	179
UTAH	
Provo-Orem, UT MSA	196
VERMONT	
Washington County	196
WASHINGTON	
Portland-Vancouver, WA-OR MSA	255
WEST VIRGINIA	
Berkeley County	132
Jefferson County	135
Morgan County	133

Estimated
Federal
Fees

Friday
September 20, 1996

Part V

Department of the Interior

Fish and Wildlife Service

50 CFR Part 20

Migratory Bird Hunting; Seasons and Bag
Limits for the 1996–97 Youth Waterfowl
Hunting Day; Final Rule

DEPARTMENT OF THE INTERIOR**Fish and Wildlife Service****50 CFR Part 20**

RIN 1018-AD69

Migratory Bird Hunting; Seasons and Bag Limits for the 1996–97 Youth Waterfowl Hunting Day**AGENCY:** Fish and Wildlife Service, Interior.**ACTION:** Final rule.

SUMMARY: This rule prescribes the hunting seasons, hours, areas, and daily bag and possession limits for the youth waterfowl hunting day for the 1996–97 duck-hunting season. Taking of migratory birds is prohibited unless specifically provided for by annual regulations. This rule permits the taking of designated species during the 1996–97 season. These selections will be published in the Federal Register as amendments to § 20.105 of title 50 CFR part 20.

EFFECTIVE DATE: September 21, 1996.

ADDRESSES: Comments received will be available for public inspection during normal business hours in room 634, Arlington Square Building, 4401 N. Fairfax Drive, Arlington, Virginia.

FOR FURTHER INFORMATION CONTACT: Paul R. Schmidt, Chief, Office of Migratory Bird Management, U.S. Fish and Wildlife Service, Department of the Interior, ms 634—ARLSQ, 1849 C Street, NW., Washington, DC 20240, (703) 358–1714.

SUPPLEMENTARY INFORMATION:

Regulations Schedule for 1996

On March 22, 1996, the Service published in the Federal Register (61 FR 11992) a proposal to amend 50 CFR part 20. The proposal dealt with the establishment of seasons, limits, and other regulations for migratory game birds under §§ 20.101 through 20.107, 20.109, and 20.110 of subpart K. On June 13, 1996, the Service published in the Federal Register (61 FR 30114) a second document providing supplemental proposals for early- and late-season migratory bird hunting regulations frameworks, detailing information on the 1996–97 regulatory schedule, and announcing the Service Migratory Bird Regulations Committee and Flyway Council meetings. On June 14, 1996, the Service published in the Federal Register (61 FR 30490) a third document describing the Service's proposed regulatory alternatives for the 1996–97 duck hunting season and the Service's consideration of a proposed

youth waterfowl hunting day. On August 15, 1996, the Service published in the Federal Register (61 FR 425000) a proposal for the establishment of a special youth waterfowl hunting day. On September 18, 1996, the Service published the final framework for establishing a youth waterfowl hunting day for the 1996–97 migratory bird hunting season from which wildlife conservation agency officials from the States selected hunting dates, hours, areas, and limits. The final rule described here deals specifically with amending subpart K of 50 CFR part 20. It sets hunting seasons, hours, areas, and limits for the youth waterfowl hunting day.

NEPA Consideration

NEPA considerations are covered by the programmatic document, "Final Supplemental Environmental Impact Statement: Issuance of Annual Regulations Permitting the Sport Hunting of Migratory Birds (FSES 88–14)," filed with EPA on June 9, 1988. The Service published a Notice of Availability in the June 16, 1988, Federal Register (53 FR 22582). The Service published its Record of Decision on August 18, 1988 (53 FR 31341). Copies of these documents are available from the Service at the address indicated under the caption **ADDRESSES**.

Endangered Species Act Consideration

As in the past, the Service designs hunting regulations to remove or alleviate chances of conflict between migratory game bird hunting seasons and the protection and conservation of endangered and threatened species. Consultations have been conducted to ensure that actions resulting from these regulations will not likely jeopardize the continued existence of endangered or threatened species or result in the destruction or adverse modification of their critical habitat. Findings from these consultations are included in a biological opinion and may have caused modification of some regulatory measures previously proposed. The final frameworks reflect any modifications. The Service's biological opinions resulting from its Section 7 consultation are public documents available for public inspection in the Service's Division of Endangered Species and MBMO, at the address indicated under the caption **ADDRESSES**.

Regulatory Flexibility Act; Executive Order (E.O.) 12866 and the Paperwork Reduction Act

In the March 22, 1996, Federal Register, the Service reported measures it took to comply with requirements of

the Regulatory Flexibility Act and E.O. 12866. One measure was to prepare a Small Entity Flexibility Analysis (Analysis) documenting the significant beneficial economic effect on a substantial number of small entities. The Analysis estimated that migratory bird hunters would spend between \$254 and \$592 million at small businesses in 1996. Copies of the Analysis are available upon request from the Office of Migratory Bird Management. This rule was not subject to review by the Office of Management and Budget under E.O. 12866.

The Service examined these proposed regulations under the Paperwork Reduction Act of 1995 and found no information collection requirements.

Regulations Promulgation

The rulemaking process for migratory game bird hunting must, by its nature, operate under severe time constraints. However, the Service intends that the public be given the greatest possible opportunity to comment on the regulations. Thus, when the proposed rulemaking was published, the Service established what it believed were the longest periods possible for public comment. In doing this, the Service recognized that when the comment period closed time would be of the essence. That is, if there were a delay in the effective date of these regulations after this final rulemaking, the States and Territories would have insufficient time to establish and publicize the necessary regulations and procedures to implement their decisions. The Service therefore finds that "good cause" exists, within the terms of 5 U.S.C. 553(d)(3) of the Administrative Procedure Act, and these regulations will, therefore, take effect immediately upon publication.

Accordingly, with each conservation agency having had an opportunity to participate in selecting the hunting seasons desired for its State or Territory on those species of migratory birds for which open seasons are now to be prescribed, and consideration having been given to all other relevant matters presented, certain sections of title 50, chapter I, subchapter B, part 20, subpart K, are hereby amended as set forth below.

Unfunded Mandates

The Service has determined and certifies in compliance with the requirements of the Unfunded Mandates Act, 2 U.S.C. 1502 *et seq.*, that this rulemaking will not impose a cost of \$100 million or more in any given year on local or State government or private entities.

Civil Justice Reform—Executive Order
12988

The Department, in promulgating this proposed rule, has determined that these regulations meet the applicable standards provided in Sections 3(a) and 3(b)(2) of Executive Order 12988.

List of Subjects in 50 CFR Part 20

Exports, Hunting, Imports, Reporting and recordkeeping requirements, Transportation, Wildlife.

Dated: September 17, 1996

George T. Frampton, Jr

Assistant Secretary for Fish and Wildlife and Parks.

PART 20—[AMENDED]

For the reasons set out in the preamble, title 50, chapter I, subchapter B, Part 20, subpart K is amended as follows.

1. The authority citation for Part 20 is revised to read as follows:

Authority: 16 U.S.C. 703–712; and 16 U.S.C. 742 a–j.

BILLING CODE 4310–55–F

Note - The following annual regulations provided for by §20.105 of 50 CFR part 20 will not appear in the Code of Federal Regulations because of their seasonal nature.

2. Section 20.105(f) is added to read as follows:

§20.105 Seasons, limits, and shooting hours for waterfowl, coots, and gallinules.

Subject to the applicable provisions of the preceding sections of this part, areas open to hunting, respective open seasons (dates inclusive), shooting and hawking hours, and daily bag and possession limits for the species designated in this section are prescribed as follows:

Shooting and hawking hours are one-half hour before sunrise until sunset, except as otherwise noted.

CHECK STATE REGULATIONS FOR AREA DESCRIPTIONS AND ANY ADDITIONAL RESTRICTIONS.

(f) Youth Waterfowl Hunting Day

The following seasons are open only to youth hunters. Youth Hunters must be accompanied into the field by an adult at least 18 years of age. This adult can not duck hunt but may participate in other open seasons.

Definitions

Youth Hunters: Includes youths 15 years of age or younger.

The Atlantic Flyway: Includes Connecticut, Delaware, Florida, Georgia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, and West Virginia.

The Mississippi Flyway: Includes Alabama, Arkansas, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Ohio, Tennessee, and Wisconsin.

The Central Flyway: Includes Colorado (east of the Continental Divide), Kansas, Montana (Blaine, Carbon, Fergus, Judith Basin, Stillwater, Sweetgrass, Wheatland, and all counties east thereof), Nebraska, New Mexico (east of the Continental Divide except that the Jicarilla Apache Indian Reservation is in the Pacific Flyway), North Dakota, Oklahoma, South Dakota, Texas, and Wyoming (east of the Continental Divide).

The Pacific Flyway: Includes the States of Arizona, California, Colorado (west of the Continental Divide), Idaho, Montana (including and to the west of Hill, Chouteau, Cascade, Meagher, and Park Counties), Nevada, New Mexico (the Jicarilla Apache Indian Reservation and west of the Continental Divide), Oregon, Utah, Washington, and Wyoming (west of the Continental Divide including the Great Divide Basin).

ATLANTIC FLYWAY

Flyway-wide Restrictions

Duck Limits: The daily bag limit of 5 ducks may include no more than 1 female mallard, 1 pintail, 1 black duck, 1 canvasback, 1 mottled duck, 2 wood ducks, 2 redheads, and 1 fulvous tree duck. All areas of the Flyway are closed to harlequin duck hunting.

Merganser Limits: The daily bag limit may include no more than 1 hooded merganser.

For all species, the possession limit for this special season and the regular season combined is twice the daily bag limit.

	Season Dates	Daily Bag Limit
<u>Connecticut</u>		
Ducks:		
Statewide	Nov. 9	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>Delaware</u>		
Ducks	Oct. 26	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>Florida</u>		
Ducks	Jan. 25	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>Georgia</u>		
Ducks	Nov. 23	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
Moorhens and Gallinules	Same as for ducks	15
<u>Maryland (1)</u>		
Ducks (2)	Nov. 2	4
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>Massachusetts</u>		
Ducks	Oct. 12	5
Statewide	Same as for ducks	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	5
<u>New Hampshire</u>		
Ducks	Nov. 9	5
Statewide	Same as for ducks	5
Mergansers	Same as for ducks	15
Coots	Same as for ducks	15
<u>New Jersey</u>		
Ducks	Oct. 5	5
Statewide	Same as for ducks	5
Mergansers	Same as for ducks	15
Coots	Same as for ducks	15
Moorhens and Gallinules	Same as for ducks	15

(2) In Maryland, the special season is closed on canvasbacks and the daily bag limit may include no more than 1 redhead.

(3) In South Carolina, the bag limit of 5 may not exceed 1 black duck, mottled duck, or female mallard in the aggregate.

MISSISSIPPI FLYWAY

Flyway-wide Restrictions

Duck Limits: The daily bag limit of 5 ducks may include no more than 4 mallards (no more than 1 of which may be a female), 1 pintail, 1 black duck, 1 canvasback, 2 wood ducks, and 2 redheads.

Merganser Limits: The daily bag limit may include no more than 1 hooded merganser.

For all species, the possession limit for this special season and the regular season combined is twice the daily bag limit.

	Season Dates	Daily Bag Limit
<u>New York</u>		
Ducks		
Long Island Zone	Nov. 16	5
Lake Champlain Zone	Sept. 28	5
Northeastern Zone	Sept. 28	5
Southeastern Zone	Oct. 5	5
Western Zone	Oct. 5	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>North Carolina</u>		
Ducks	Jan. 25	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>Pennsylvania</u>		
Ducks		
Statewide	Oct. 5	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
Moorhens	Same as for ducks	15
<u>Rhode Island</u>		
Ducks	Nov. 23	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>South Carolina (3)</u>		
Ducks	Jan. 25	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>Vermont</u>		
Ducks		
Statewide	Sept. 28	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>Virginia</u>		
Ducks	Oct. 19	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
Moorhens and Gallinules	Same as for ducks	15

(1) In Maryland, the accompanying adult must be at least 21 years of age and possess a valid Maryland hunting license (or be exempt from the license requirement). This accompanying adult may not shoot or possess a firearm.

	Season Dates	Daily Bag Limit
<u>Alabama</u>		
Ducks		
Statewide	Jan. 25	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
Moorhens and Gallinules	Same as for ducks	15
<u>Arkansas</u>		
Ducks	Dec. 23	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>Illinois</u>		
Ducks		
North Zone	Oct. 5	5
Central Zone	Oct. 19	5
South Zone	Nov. 2	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>Indiana</u>		
Ducks		
North Zone	Oct. 12	5
South Zone	Oct. 19	5
Ohio River Zone	Nov. 23	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
Moorhens and Gallinules	Same as for ducks	15

	Season Dates	Daily Bag Limit
<u>Iowa</u>		
Ducks		5
Statewide	Oct. 5	5
Mergansers	Same as for ducks	
<u>Kentucky</u>		
Ducks		5
Statewide	Oct. 12	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
Moorhens and Gallinules	Same as for ducks	15
<u>Louisiana</u>		
Ducks		5
Statewide	Dec. 7	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
Moorhens and Gallinules	Same as for ducks	15
<u>Michigan</u>		
Ducks		5
Statewide	Sept. 21	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
Moorhens and Gallinules	Same as for ducks	15
<u>Minnesota (1)</u>		
Ducks		5
Mergansers	Sept. 21	5
Coots, Moorhens, and Gallinules	Same as for ducks	15
<u>Mississippi</u>		
Ducks		5
Mergansers	Jan. 25	5
Coots	Same as for ducks	5
Moorhens and Gallinules	Same as for ducks	15
<u>Missouri</u>		
Ducks and Mergansers		
North Zone	Oct. 19	5
Middle Zone	Oct. 26	5
South Zone	Nov. 16	5
Coots	Same as for ducks	15
<u>Ohio</u>		
Ducks		5
Pymatuning Area (2)	Oct. 5	5
Rest of State	Oct. 12	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15

Tennessee

Ducks

Statewide

Mergansers

Coots

Moorhens and Gallinules

Wisconsin

Ducks

Mergansers

(1) In Minnesota, North Heron Lake, South Heron Lake, North Marsh, and Duck Lake in Jackson County are closed to the taking of canvasbacks.

(2) In Ohio, in the Pymatuning Area, the bag limit restrictions for Pennsylvania apply.

CENTRAL FLYWAYFlyway-wide Restrictions

Duck Limits: The daily bag limit of 5 ducks may include no more than 1 female mallard, 1 pintail, 1 canvasback, 1 mottled duck, 2 wood ducks, and 2 redheads.

Merganser Limits: The daily bag limit may include no more than 1 hooded merganser.

For all species, the possession limit for this special season and the regular season combined is twice the daily bag limit.

Colorado

Ducks, Mergansers, and Coots

Ducks

High Plains

Low Plains

Early Zone

Late Zone

Mergansers

Coots

Coots

	Season Dates	Daily Bag Limit
<u>Nebraska (1)</u>		
Ducks and Mergansers		
Statewide	Sept. 21	5
Coots	Same as for ducks	15
<u>North Dakota</u>		
Ducks	Sept. 21	5
Statewide	Same as for ducks	5
Mergansers	Same as for ducks	15
Coots		
<u>Oklahoma</u>		
Ducks		
High Plains	Oct. 5	5
Low Plains	Dec. 7	5
Mergansers	Same as for ducks	5
Coots	Same as for ducks	15
<u>South Dakota</u>		
Ducks and Mergansers		
Statewide	Sept. 21	5
Coots	Same as for ducks	15

(1) In Nebraska, see State regulations for additional information on the daily bag limit.

PACIFIC FLYWAY

Flyway-wide Restrictions

Duck and Merganser Limits: The daily bag limit of 7 ducks (including mergansers) may include no more than 1 female mallard, 2 pintails, 1 canvasback, and 2 redheads.

Coot and Common Moorhen Limits: Daily bag limits are in the aggregate for the two species.

For all species, the possession limit for this special season and the regular season combined is twice the daily bag limit.

	Season Dates	Daily Bag Limit
<u>Arizona (1)</u>		
Ducks (2)		
North Zone	Oct. 5	7
South Zone	Jan. 25	7
Coots and Moorhens	Same as for ducks	25

	Season Dates	Daily Bag Limit
<u>California</u>		
Ducks		
Northeastern Zone	Sept. 28	7
Colorado River Zone	Jan. 25	7
Southern Zone	Oct. 12	7
Southern San Joaquin Valley Zone	Oct. 12	7
Balance-of-State Zone	Oct. 12	7
<u>Colorado</u>		
Ducks and Coots	Nov. 30	7
<u>Idaho</u>		
Ducks		
Statewide	Sept. 28	7
Coots	Same as for ducks	25
<u>Nevada</u>		
Ducks		
Clark and Lincoln Counties	Oct. 26	7
Rest of State	Oct. 5	7
Coots and Moorhens	Same as for ducks	25
<u>Washington</u>		
Ducks		
Statewide	Oct. 5	7
Coots	Same as for ducks	25

(1) In Arizona, a youth hunter must be 14 years old or less.

(2) In Arizona, the daily bag limit may include no more than either 1 female mallard or 1 Mexican-like duck, but not both.

Estados Unidos
Federal

Friday
September 20, 1996

Part VI

The President

Proclamation 6919—National Hispanic
Heritage Month, 1996

Presidential Documents

Title 3—

Proclamation 6919 of September 18, 1996

The President

National Hispanic Heritage Month, 1996

By the President of the United States of America

A Proclamation

America draws strength from the extraordinary diversity of its people. Our national character is enhanced by citizens who maintain and honor cultural customs brought from other lands. Hispanics, who have long been part of this tradition, were the earliest European settlers of this great Nation, with the Spanish founding cities in Florida in the 1500's, and Mexicans establishing homesteads in the Southwest in the 1600's. Puerto Ricans became U.S. citizens in 1917, and other Latinos over the years, including Cubans and Central Americans, came to the United States in search of democracy, freedom, and a better way of life.

Hispanics, who are of all races, distinguish themselves as a community by fostering connections rooted in the Spanish language. Their diverse and vibrant culture includes elements originating in Spain, North America, Central America, South America, and the Caribbean. Hispanics share deep family values, recognize their obligations to the less fortunate of our society, protect their children, cherish freedom, and fulfill their patriotic duty to defend their country.

Earlier this month, I awarded our Nation's highest civilian honor, the Presidential Medal of Freedom, to Dr. Antonia Pantoja. Dr. Pantoja has inspired generations of Latino youth to "dare to dream." Believing that hard work can overcome any obstacle, she went from factory worker to college professor and has dedicated her life to bringing educational and economic opportunities to the Puerto Rican community.

Sadly, we recently lost one of our great countrymen, Dr. Hector P. Garcia of Corpus Christi, Texas. A member of the U.S. Commission on Civil Rights and a recipient of the Presidential Medal of Freedom, he is best remembered for his service to the Latino community, founding the American GI Forum to defend the civil rights of Hispanic veterans and organizing one of the first civil rights marches in the 1940's.

Many other Hispanic sons and daughters have served our country with distinction, making important contributions in the arts and sciences, the business world, academia, government, agriculture, and the Armed Forces. Helping to preserve the democracy and freedom all Americans enjoy, Hispanics have served in the United States Armed Forces in proportions much larger than their percentage of the population. Since World War I, our Nation has awarded the Medal of Honor, our highest military honor, to more Latinos than any other ethnic group.

Today, let us honor Hispanics for their example of community and patriotism, and for the richness of their contribution to this great land.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, do hereby proclaim September 15 through October 15, 1996, as National Hispanic Heritage Month. I call upon all government officials, educators, and people of the United States to honor this observance with appropriate programs, ceremonies, and activities, and encourage all Americans to rededicate themselves to the pursuit of equality.

IN WITNESS WHEREOF, I have hereunto set my hand this eighteenth day of September, in the year of our Lord nineteen hundred and ninety-six, and of the Independence of the United States of America the two hundred and twenty-first.

William Clinton

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The items in this list were editorially compiled as an aid to Federal Register users. Inclusion or exclusion from this list has no legal significance.

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Liquidated guaranteed loans; future recovery of losses; published 8-21-96

AGRICULTURE DEPARTMENT**Rural Business-Cooperative Service**

Program regulations:

Liquidated guaranteed loans; future recovery of losses; published 8-21-96

AGRICULTURE DEPARTMENT**Rural Housing Service**

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Federal home loan bank system:

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AGRICULTURE DEPARTMENT**Animal and Plant Health Inspection Service**

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Crop insurance regulations:

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AGRICULTURE DEPARTMENT**Food Safety and Inspection Service**

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